



Election '97
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Britain throws out seven-year-old girl

Glenda Cooper
Social Affairs Correspondent

A seven-year-old girl faces deportation to an orphanage 3,000 miles away from her family, despite pleas from her natural father that he is willing and able to care for her.

The Home Office was yesterday accused of being inhuman and racist by sending Whitney Forrester back to Jamaica on Wednesday. There, social services will place her in an orphanage because there is no relative to care for her.

"I thought this Government was concerned about keeping families together but they are trying to take my daughter away from me," said her father, Gilroy, who has lived in London for nearly seven years.

The Home Office says she is being removed because she did not apply for entry clearance from the British High Commission in Kingston. The family said they were unaware such a procedure was necessary, particularly since her stay was not intended to be permanent when she came last October.

Last year, Whitney's mother abandoned her, after her new fiancé refused to support the child. While Whitney was in Britain, her aunt, who had taken charge of her, said she was no longer able to do so because she had a new job which entailed a lot of travelling.

At a press conference yesterday, Whitney's grandmother, brother and cousin joined Mr Forrester in pleading for her to stay, saying that she was settled and doing well at school. Eight-year-old Kamisha Brown said: "It is disgusting that my cousin should be sent back home. Jamaica is a very hard country."

Close to tears, her grandmother, Violet Forrester, said that Whitney was already frightened at being sent back. "She understands a bit what is going on and has stopped eating."

"The Conservatives commonly portray themselves as the party of the family - yet they are prepared to tear a black child from the bosom of a loving parent and grandparent, to place her in an institution where she knows nobody," said Bernice Grant, Mr Forrester's MP. "I doubt very much whether a white child would be treated in this way."

The family's solicitor, Jawad Luqmani said it appeared that Jamaican social services had made the decision to take Whitney into their care without being advised of all the information, particularly that her father would care for her.

"We are waiting for a fax from the JSS that this is the case [and] then we will be lodging an appeal." If this failed, a High Court legal challenge would be lodged.

A Home Office spokeswoman said the case had been considered at ministerial level and that no child would ever be removed from the country unless there was "adequate and appropriate reception and care put in place". Timothy Kirkhope, Home Office Minister, strenuously denied there was any racism involved.

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Annabel Ferriman

More than 30,000 lives could be saved each year if Britons only did what their mothers always told them - and ate their greens, heart experts said yesterday.

Eating at least five portions of vegetables and fruit a day could reduce the 150,000 deaths from heart disease by between 20 and 30 per cent, said Professor Michael Marmot, Britain's leading cardiovascular epidemiologist.

But vegetables have a poor image, and are seen as "boring, unappetising and difficult to prepare", according to two reports from the National Heart Forum, an umbrella group of heart charities, medical bodies and disease prevention groups.

Britons eat on average three portions of fruit and vegetables a day, a third as much as the Greeks (who top the European league), and less than eight other European nations.

The UK's death rate from coronary heart disease is the second highest in Europe, only Ireland's is higher. The French have the lowest, followed by the Spanish, Italians and Greeks.

Doctors do not know what ingredient in fruit and vegetables confers protection against heart disease, but suspect it might be the antioxidant effect of vitamins C, E and beta carotene.

Vitamin pills do not work as well, however. Professor Marmot said that the answer to our death rate lay in the vegetable rack, rather than the medicine cabinet.

"The picture which emerges from the epidemiological studies of antioxidants - from both dietary sources and pills - is mixed. None of the long-term trials of antioxidant supplements have shown a reduction in heart disease deaths. And there is some evidence to show that supplements of Vitamin A and beta carotene can actually increase risk of heart disease and lung cancer, especially for smokers," Professor Marmot said.

The good news is that it does not matter how you eat your vegetables, as long as you eat them. "Whatever shape or form

Eat up your greens and grow ancient like the Greeks

we wish to eat them - fresh, frozen, dried or canned - vegetables and fruit can only do us good," said Imogen Sharp, director of the National Heart Forum.

"Vegetables and fruit are poorly promoted. A total of £71m is spent annually in the UK advertising chocolate and confectionery, contrasting with only £2.9m for vegetables and fruit," she added.

"The Government and food industry should follow the lead of the US and launch a £25m co-ordinated five-year campaign to persuade people to eat 'at least five a day'."

Ms Sharp said that children and people on low incomes, as well as regions of low consumption, must be the focus of the national strategy. "Two-thirds of 16-24 year olds eat fruit less than once a day and almost half eat vegetables less than once a day," she said.

Low income households and those in Scotland and northern England also have the highest rates of heart disease. They will need to double their daily in-

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significant shorts

Nurse dies of Aids 11 years after accidental stabbing

A naval nurse died of Aids more than 11 years after accidentally stabbing herself with a dirty needle, an inquest heard yesterday. Kathryn McCarthy, then 25, was taking a blood sample from a female patient at the Royal Naval Haslar Hospital, Gosport, Hampshire, when she was jostled from behind and slipped, sticking the needle into her thumb. Three weeks later, in October 1984, she was admitted to the hospital after complaining of chest pains and headaches and developing a measles-like rash. HIV was diagnosed. Soon after the incident, the patient from whom she had been taking the blood sample died of pneumonia as a result of Aids.

Yesterday, an inquest at Salisbury in Wiltshire, was told Miss McCarthy suffered a number of illnesses over the following years and in 1991 developed full-blown Aids. The Wiltshire coroner, David Masters, recorded a verdict of misadventure on Miss McCarthy, who died on 6 March last year, aged 37.

The Royal Haslar surgeon, Captain William Edmondstone, told the inquest that Miss McCarthy's case had been a landmark incident which brought the spotlight on the issue of clinical safety for medical staff. "Ever since, nursing staff have been painfully aware of the risk to themselves, so that any procedure involving the letting of blood is taken with maximum securities," he said.

Fears over BSkyB dominance

British Digital Broadcasting, the consortium of BSkyB, Carlton and Granada, which is bidding for three digital television licences would harm competition and diversity in the television market if it wins, according to the Consumers' Association. It has told the Independent Television Commission that if the consortium won all three licences it would cement BSkyB's dominance of the subscription television market in sport and film rights.

However, the CA concedes that one of the licences should go to the BDB consortium to stop BSkyB - which will launch digital terrestrial digital television. The CA wants two of the licences given to the other consortium, Digital Terrestrial Television, to ensure diversity and competition in broadcasting. The ITC will announce the winner or winners in May. **Paul McCann**

New date for match-fixing retrial



The retrial of three footballers and a Malaysian businessman accused of fixing football matches for a Far East betting syndicate will begin on 4 June at Winchester Crown Court, it was decided at a brief hearing in London yesterday.

Earlier this month, a jury at Winchester failed to reach verdicts in the case against the former Liverpool and Southampton goalkeeper, Bruce Grobbelaar, the ex-Wimbledon and Aston Villa striker John Fashanu (above) former Wimbledon goalkeeper, Hans Segers, and a Malaysian businessman, Heng Suan Lim.

A whisky by any other name

An independent distiller's clear spirit may be made from Scotch and taste like a good whisky, but it cannot call itself by the name, a High Court judge ruled yesterday. United Distillers and Allied Domecq - two of the world's biggest drinks firms - won an undertaking from the Isle of Man producers of Glen Kella not to label it as Manx Whisky in the United Kingdom.

Mr Justice Rattee decided that even though the product is originally Scotch Whisky which is redistilled to remove the yellow colouration, it cannot be called a whisky because it does not comply with the legal definition of the drink. He said "the essential point" was that to call itself whisky it must have been matured after distillation for at least three years and this spirit had not.

Builder stored porn on computer

A builder faces a six-month jail sentence after being caught surfing the Internet for child pornography by an engineer he had called round to repair his computer. Magistrates in York yesterday adjourned sentence until next month on Michael Blacker, 27, who pleaded guilty to possessing indecent images of children.

The court heard that it was an "unusual" case and is believed to be the first prosecution of its kind in Britain. The engineer called the police after discovering hardcore pornographic images stored on the hard disc of Blacker's computer. Officers found 76 hardcore images and a video type clip obtained on the Internet when they searched his home in York.

School has DFE approval withdrawn

A £40,000-a-year special school has had its approval withdrawn by the Department for Education amid allegations of criminal activities by some pupils. Last month, the schools watchdog Ofsted inspected the independent Bradfield House School at Cullumpton, east Devon, which has 28 pupils aged 11 to 16, and required it to come up with an action plan to improve. That followed a January inspection by Devon Social Services, following complaints from the public. Earlier this month a team of officials from the DFE visited the school, which led to a further visit by Devon Social Services. Devon and Cornwall police are also holding an investigation.

Moby swims out to sea

A 40ft sperm whale named Moby, whose presence in the Firth of Forth in Scotland sparked a prolonged rescue operation last night appeared to be safe and out of danger. "Moby is now definitely clear of the Forth estuary and out at sea, he is clear of danger and heading out in the right direction," Dr Keith Todd, curator of the Deep-Sea World research centre which co-ordinated "Operation Moby", said last night.

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people



Establishment figure: He used to be one of pop's wild men, now he plays host to royalty

Elton marks half a century by joining classical greats

The Royal Academy of Music, more usually associated with the sounds of classical maestros, has extended honorary membership to Elton John, to mark his 50th birthday. Once known as much for his wild lifestyle as his music, the flamboyant singer-songwriter joins a growing list of modern musicians to be honoured by the academy.

Classical composers Richard Strauss, Mendelssohn and Liszt were joined in 1995 by the former Beatle Sir Paul McCartney. Leading tenor José Carreras and Annie Lennox, another classical student turned pop star, are also members.

Always a talented pianist, Elton studied at the Royal Academy in the 1960s, and a classical career seemed his destiny. A spokesman for the academy yesterday said honorary membership was the highest award it had to offer and that it was pleased to bestow it on an ex-pupil. The principal, Dr Curtis Price, said: "Elton was a prodigiously gifted child. Had he chosen to, he would certainly have progressed to our Senior Academy."

Instead, with lyricist Bernie Taupin, he wrote a string of pop classics, including *Your Song*, *Candle in the Wind* and *Don't Go Breaking My Heart*, notching up millions both in sales and his bank account.

Now a respected member of Britain's pop establishment, he has left his well-documented excesses of the 1970s far behind. Awarded a CBE last year, he entertains members of the Royal Family at his house in Windsor.

Last night he celebrated his birthday in style with a host of celebrities at his customary Oscar night party in Los Angeles. Another party, planned in secret, is to be held on 5 April.

Elton has gained respect for his work for Aids charities and has offered support to celebrity friends. His ex-Take That singer Robbie Williams, who has suffered weight and alcohol problems, has a relationship with him. David Furnish, last year featured in a *Time* magazine documentary on his life, said: "Elton brought him respect and stability."

No Oscars, but two raspberries for Demi Moore

Demi Moore, who Twentieth Century Fox tried unsuccessfully to have director Anthony Minghella cast in *The English Patient*, found herself winning two awards in Oscars week - though not ones she will be putting on her mantelpiece. Miss Moore won two Razzies, or Golden Raspberry Awards, the tongue-in-cheek prizes presented for the year's worst offerings. The film *Stripes*, in which she starred, won worst picture, worst actress, worst screenplay and worst screen couple for Demi Moore and Burt Reynolds. For good measure it also won worst song, *Pussy, Pussy, Pussy*. *Whore* won worst actress for Demi Moore.

The 17th annual Razzies, which are awarded immediately before the Oscars, are organised by advertising writer John Wilson. This year's big-name raspberries also included Marlon Brando as worst supporting actor for *Island of Dr Moreau* and Melanie Griffith for her supporting role in *Mulholland Falls*. Pamela Anderson Lee was named worst new star for her role in *Barb Wire*.



The worst actor Razzie was a tie between Tom Arnold's performance in *Big Bully* and Pauly Shore for *Bio-Dome*.

The worst-written film, which earned more than \$100m was the all-action weather adventure film *Twister* starring Bill Paxton and Helen Hunt, ably supported by a range of special effects.

No stars ever show up to collect their Razzie trophies, which comprise a golfball-size raspberry atop a gold-painted film reel.

David Lister

Papuan trials of a British mercenary

The former British officer being held in Papua New Guinea after leading in a unit of mercenaries is to stand trial on charges of illegal possession of weapons.

Lieutenant Colonel Tim Spicer has been released on bail by magistrates at Port Moresby, but he has been ordered not to leave the country until the hearing on 8 April, and his passport has been impounded.

The Bosnia veteran pleaded not guilty to two charges of illegally carrying a Makarov 9mm pistol and 41 rounds of ammunition. Conviction on either or both counts could carry a maximum sentence of six months in jail, and/or a fine of 500 kina, around £290.

Lt Col Spicer will also be testifying on 1 April at a judicial inquiry into the validity of a \$27m (£17m) contract between his security company Sandline and the PNG government of Sir Julius Chan, to counter guerrillas on Bougainville Island. The contract led to mutiny in the army and civilian riots.

Lt Col Spicer, who is the last of the mercenaries left in PNG after the others were rounded up and deported by the army, stressed: "There is nothing wrong with the activities of Sandline."

Kim Sengupta

Grateful canoeist describes 16-hour ordeal

A canoeist who survived more than 16 hours trapped at the foot of a 130ft river gorge paid tribute to his rescuers yesterday. Apart from suffering mild effects from the cold, James Foley, a 37-year-old woodcutter from Perth, Scotland, was well when members of the Tayside Search and Rescue team abseiled down the gorge to rescue him yesterday morning.

Mr Foley was canoeing the fast-flowing river Encht on Sunday afternoon, near Blairgowrie, Tayside, with his 22-year-old nephew, Steven Foley, when his canoe was smashed against rocks and he was thrown out on to a rock in the middle of the river.

His nephew raised the alarm with police at 7.30pm but because of the steepness of the gorge Mr Foley was not rescued for another 12 hours.

A helicopter was scrambled but as darkness fell it became impossible for its crew to see into the gorge

past the overhanging trees to co-ordinate operations. Finally, shortly after dawn yesterday, Mr Foley, a father of three, was carried out by rescuers. Mr Foley, who has been a keen canoeist for three years, was full of praise for them.

"I was so pleased to see them," he said. "They were brilliant guys, but I owe my life to the helmet I was wearing. I would never have survived without it."

"I was confident that my wee nephew would go and get help. I never stopped hoping they would come, but I was never desperate. It was wet and cold down there. All I had was my life jacket and wet suit for warmth. I just tried to shelter the best I could."

"I didn't want to see a doctor, although the police wanted me to be checked over, I just wanted to get home. I'm totally shattered."

Matthew Brace

briefing

HEALTH

Nation remains ignorant of cancer realities

Bad hygiene, exercise, microwaves, physical injury and chewing gum were all named as possible causes of cancer, in a survey of 1,000 adults conducted by NOP for Macmillan Cancer Relief. There is no proven evidence linking any of them with the disease.

Fewer than half of those aged over 55 knew that smoking caused cancer and only one in eight realised that exposure to the sun was a cause of skin cancer, the survey said. Although nearly a quarter of the population admit to knowing at least 10 people who have suffered from some form of cancer, almost half think they are unlikely to develop the disease themselves. In fact, one in three will develop some form of cancer during their lifetime.

A new booklet, *The Cancer Guide*, published tomorrow outlines the main causes, common treatments and helpful organisations. It forms part of a national awareness campaign which includes a two-part BBC1 documentary, *The Big C*, screened on 26 and 27 March. The Cancer Guide is available from Macmillan Cancer Relief on 0171 887 8271. **Annabel Ferriman**

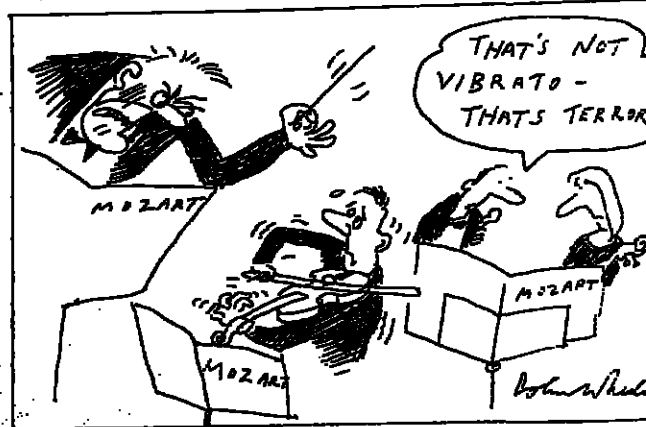
ARTS

Angst in the orchestra stalls

Depression among musicians is running at "unbelievably high levels" according to a new survey. And overbearing conductors are cited as one of the causes of musical angst. A survey by the British Performing Arts Medical Trust, detailed at an international conference in York yesterday, also said that problems for musicians can be caused by who they sit next to on the concert platform.

The research, conducted among 56 world-class symphony orchestras, reveals that 70 per cent of orchestral musicians suffer performance anxiety which affects their playing. This occurs more than once a week in one out of every five players.

The research said that RSI (Repetitive Strain Injury) suffered by musicians is linked far more to mental stress provoked by incompetent and overbearing conductors, inadequate or disorganised rehearsals and incompatible desk partners than any of the physical demands of playing. **David Lister**



SOCIAL SERVICES

Rationing care is a false economy

Home care for vulnerable elderly and disabled people has become a "Cinderella service" because of rationing in community care, says a report from the National Association of Citizens Advice Bureaux. The report comes less than a week after the Law Lords ruled that local authorities could withdraw services because of lack of resources.

But while two hours' cleaning and shopping costs £24 a week, NACAB argues this can be extremely cost-effective if it prevents the need for residential care costing an estimated £244 a week. Based on evidence from 260 bureaux, NACAB says there are waits of up to two years for items such as bath rails and stairlifts. Basic services like shopping, bathing and cleaning are being withdrawn.

One 86-year-old woman was unable to have a bath for two years, she had been assessed as needing a walk-in shower but there was no money available and she could not use the bath without adaptations.

Rationing Community Care, Social Policy Section, NACAB, 115-123 Pentonville Rd, London N1 9LZ. **Glenda Cooper**

TECHNOLOGY

Jargon equals sensory overload

Bemused by computer industry buzzwords? Don't worry - the people who work in the industry do even worse, according to a survey of both computer professionals and non-experts.

Only 24 per cent of computer specialists could correctly identify what "data warehousing" meant, compared to 29 per cent of non-experts, in a survey carried out for software companies Cognos and Vixar. Four hundred of the *Times* Top 1,000 companies took part - although 300 declined due to "total lack of knowledge about the subject".

Greg Bohlen, of Benchmark Research carried out the survey. "The findings are consistent with the experiences of those who do not work in the IT industry," he added. "Information technology specialists are often even more ignorant than those they are supposed to be helping." **Charles Arthur**

BUSINESS

Firms wise up to potential of Web

Aardman Animation has received orders worth more than £200,000 since its Wallace and Gromit site on the Internet's World Wide Web was set up in 1995 - boosting claims by the Electronic Commerce Association that the Web will be a major money-spinner. Some large companies already produce 5 per cent of revenue using the Web, which was devised in 1991 at the headquarters of CERN, the European atomic research laboratory. By 2000 the figure will be about 20 per cent, says the ECA, based in London.

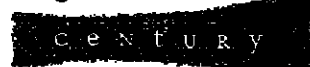
National Express's Web site has sold £50,000 worth of tickets, of which 80 per cent have gone to overseas customers. The ECA comments: "The Internet is helping to level the playing field between large and small companies." It also forecasts that electronic commerce will grow by 50 per cent annually, reaching about \$150bn by 2002, while the number of businesses accessing the Web will rise from 1.3 million at the end of 1997 to 8 million by 2001. Much of this growth is forecast to happen in the Pacific Rim countries and Europe. **Charles Arthur**



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Campaign to clear Hanratty suffers setback

Jason Bennett
Crime Correspondent

The campaign to clear James Hanratty, who was hanged 35 years ago for the A6 murder, suffered a setback yesterday after the Home Office washed its hands of the case.

The alleged miscarriage of justice will now be heard by the new Criminal Cases Review Commission, which will cause long delays. Officials have also off-loaded the cases of Derek

Bentley, hanged in 1953 for the murder of a policeman, and the M25 Three, who were jailed for life for murder in 1990.

The moves were condemned by campaigners yesterday as a pre-election, face-saving ploy. They argued that the moves were a sop to the pro-hanging lobby. It comes after the Home Office pledged that the Hanratty case would be dealt with by the end of this month.

The decision saves Michael Howard, the Home Secretary, from having to make tricky and potentially damaging decisions to refer the cases to the Court of Appeal.

The *Independent* revealed in January that inquiries by Home Office officials and the police had concluded that Hanratty was wrongly convicted and executed in April 1962.

He was convicted of shooting a government scientist, Michael Gregsten, at Deadman's Hill, on the A6 in Bedfordshire, in 1961. He was also found guilty of rap-

ing Gregsten's girlfriend, Valerie Storie, and of shooting her, leaving her paralysed.

The solicitors for the Hanratty family and the Review Commission confirmed yesterday that the A6 murder would be given to the new independent body, Robin Lewis, partner in Bindman solicitors, said he had received a letter on Monday from the Home Office C3 department, which ceases to deal with alleged miscarriages of justice from the end of this

month, about the Hanratty case. "It effectively said, 'Sorry chaps, but we don't have time to sort this one out and are handing it over,'" he said.

A 400-page submission, arguing for the case to be referred to the Court of Appeal, was submitted to the Home Office in 1994. Among the other cases to be considered by the Commission, which will have to review all the material again before making a decision, are Derek Bentley, who at the age of 19

was convicted with Christopher Craig, 16, after police caught the two breaking into a warehouse.

Bentley was arrested but Craig shot and fatally wounded a policeman. Police said this was after Bentley cried out: "Let him have it, Chris." Bentley strongly denied this but was hanged in 1953. His family have been campaigning for a pardon and for the case to be referred to the Court of Appeal.

Bentley's niece, Maria Bentley, said yesterday: "I can only

think these decisions are political. A large proportion of Tory voters support hanging and the Government does not want to jeopardise their support."

Another high-profile case to be dealt with by the Commission is that of the so-called M25 Three. Michael Davis, 26, and Raphael Rowe, 25, and Randolph Johnson, 28, were jailed in 1990 for the murder of Peter Hurburgh in Warrington, Surrey, in 1988, and for a series of other offences. The three

men are black, although victims described the assailants as two whites and one black.

The Home Office said the cases were being handed over to the new Commission purely because they had run out of time. It has been suggested that Mr Howard may have felt obliged to consult Jack Straw, Labour's home affairs spokesman, about any controversial decisions in the run up to the election, but that he wanted to avoid doing so.

Tate goes on the tiles as museums cash in on the world of interiors

David Lister
Arts News Editor

The Tate Gallery and the Victoria and Albert Museum are set to make their names as dinner party accessories.

The two national institutions are hoping that design conscious hostesses will want walks painted in Tate Gallery "minimal blue" and sideboards gleaming with Victoria and Albert Museum polish.

If that fails to impress the dinner party guests, then wait till they need a pee. There, in the bathroom, are Paula Rego tiles, hand painted by one of the most acclaimed contemporary figurative artists.

And that necklace the hostess keeps running her fingers through so conspicuously. That "is designed by Maggi Hambling herself, darling, my own little gesture towards conceptualism".

Britain's best known art institutions have decided to raise both money and awareness by plunging into the commercial arena of home furnishings.

Habitat, the middle class home furnishings nirvana, has been licensed by the Tate Gallery to sell Tate household paints. And the V & A is going to allow its name to be put on a new brand of supermarket furniture polish. The Tate will also be issuing the work of Paula Rego on limited edition tiles. Both the Tate and the V & A have decided to make new departures in their marketing strategies in order to raise money and win a new breed of visitor for their collections.

A spokeswoman for the Tate said yes-



Paula Rego tiles: The Tate says limited editions from the leading contemporary figurative artist would look good in the bathroom

Photograph: Kalpesh Lathigra

terday: "We want to promote the Tate to a new audience, the sort of people who would shop at Habitat, the 25-35s who are interested in interior design, and we think would also be interested in coming to the Tate." She added that the Paula Rego hand painted tiles were decorative and could "certainly be used in the bathroom".

In addition to the Paula Rego hand decorated tiles, the Tate's own shop in the

Gallery will be selling jewellery designed by Maggi Hambling and greeting cards by contemporary artists, including Fiona Rae, Tim Head, Lubaina Himid and Michael Landy.

Rego, who has a retrospective show on at the Tate, Liverpool, was commissioned by the Tate to produce the hand-painted tiles from her original designs, selling at £50 each. In a separate commercial exploita-

tion of its own name, the Tate's director, Nicholas Serota has given Habitat permission to sell Tate household paints in its 38 stores. They will retail at £19 each, with £1 on every sale going to the gallery.

Habitat claims the colours of the household paints are named after movements in modern art, though the connection appears a loose one. The store will be selling future orange, modern yellow, abstract green, min-

imal blue, real turquoise and pure white.

The Tate's move into commercial exploitation is matched by the latest venture from the V & A, which is to launch its own range of furniture care products.

Ken Mannering, head of marketing at V & A Enterprises, the museum's commercial arm, said the expertise of the museum's conservation department could contribute to creating a new polish: "Some

products for the very elite market probably already have the qualities we hope ours will have, but we want to endorse a mass market product. I hope the polishes will be sold in supermarkets."

The museum already licenses companies to sell V & A products including wallpaper, carpets, bed linen, china, glass and clothes, particularly wedding dresses and christening gowns.

A twat, a sprat and a whale help Today lose the plot

Paul McCann
Media Correspondent

The *Today* programme lost the plot yesterday as a twat, a sprat and a 40ft sperm whale cut a swathe of hilarity through the presenters of the BBC's most serious news programme.

The trouble started with an item in the 8am news bulletin from Papua New Guinea where

the government has appointed General Jack Tuat as chief of staff to calm troops following the furore over its use of mercenaries.

Unfortunately Mr Tuat's name is pronounced "twat". Immediately after the report about Mr Tuat's promotion, Charlotte Green, Radio 4's experienced news reader and continuity announcer, had to read

a report about the 40ft sperm whale stuck in the Firth of Forth. The clash of the two items proved too much for her and after a few words her report on *Moby* the whale disappeared in a fit of giggles.

Once Ms Green had struggled through the short item she handed over to presenter James Naughtie who, it has to be said, sounds a more humorous chap

anyway. Poor Mr Naughtie was then faced with a very serious story about the escape tunnel discovered at the Maze prison in Belfast. Waiting on the line was a very angry spokesman from the Northern Ireland Prison Officers' Association. Unfortunately, the POA spokesman's name was Mr Findlay Spratt.

Now we are sure that Mr

Spratt is a very serious and important man - and that James Naughtie thinks so too - but unfortunately after Ms Green's giggles, Mr Naughtie barked at the name on his prompt sheet and could not help a guffaw himself.

However, Mr Naughtie did call him Mr Spratt, as a careful listener to a tape of the programme later proved, even if up

and down the country millions were convinced Naughtie had actually welcomed a Mr Prat.

A BBC spokesman said later that he would not want anyone to suggest the presenters' professionalism was anything but total. These things happen, he said.

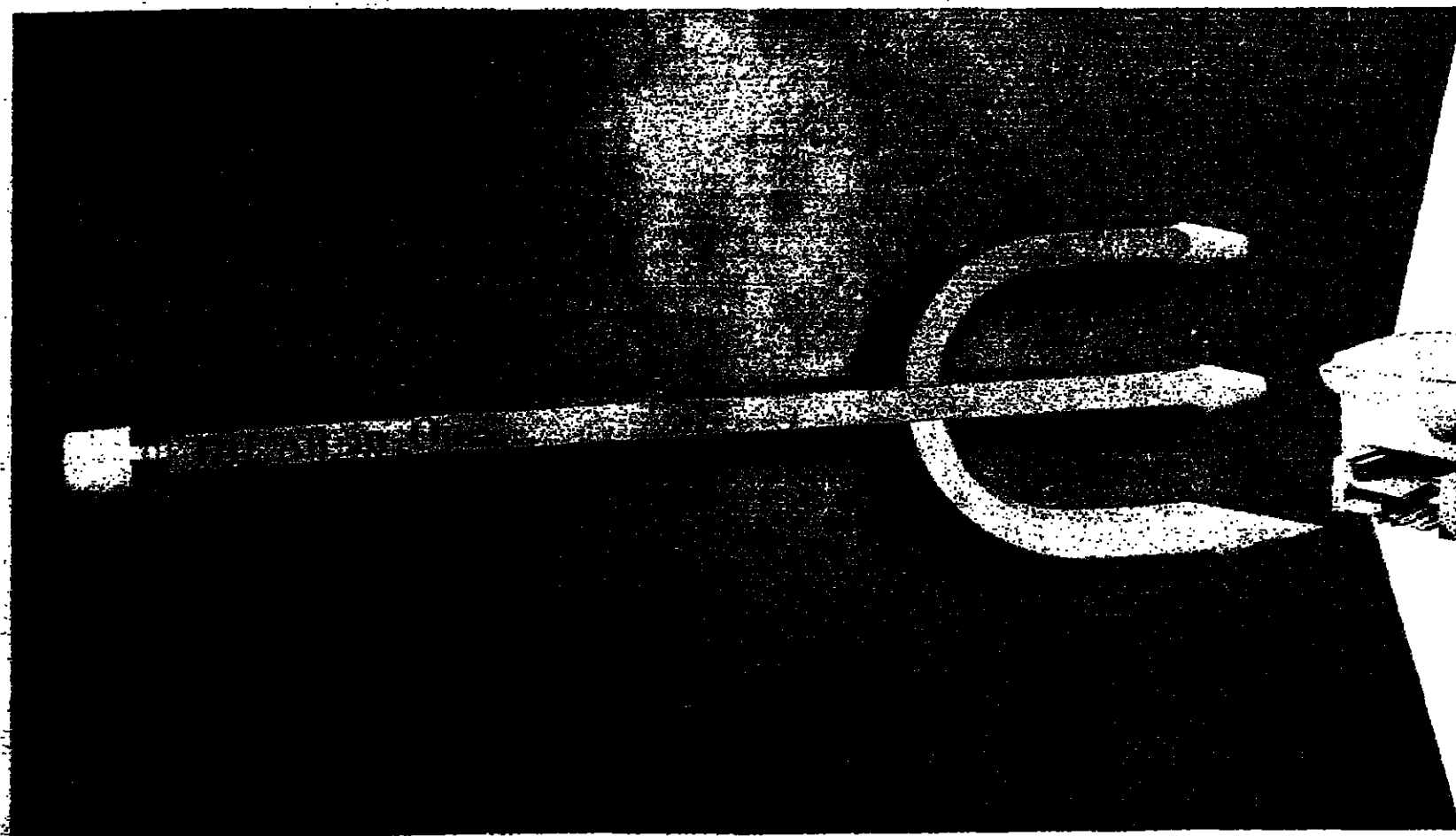
Ms Green is one of the broadcaster's most familiar voices. Her precision and clarity

are required for slots such as the *Shipping Forecast*, where mariner's lives may be on the line.

She famously managed to keep a straight voice even when required to introduce the cast of a Radio 4 play called *Heartache*: "Richard Griffiths as the Brain, Lee Montague as the Heart, Jim Broadbent as the Stomach, and David de Keyser

as the Penis." However, yesterday was not the first time she has shown a capacity for hysterics.

She was one of the highlights of Radio 4's *News Quiz* last year, on which she reads out panelists' cuttings, when Alan Coren ambushed her by reading out her announcement of "a cross-flannel cherry" being grounded on a sand bank.

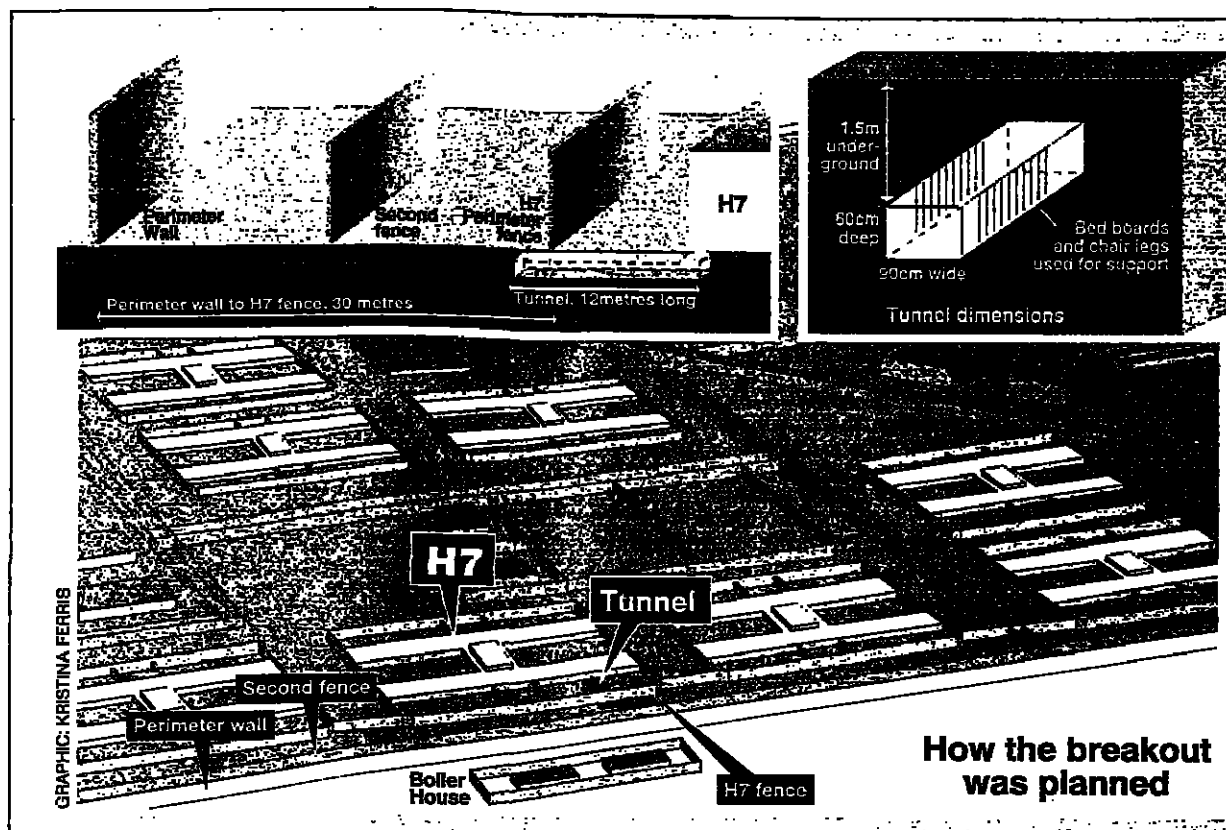


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No way out: IRA's great escape plot is foiled

David McKittrick
Ireland Correspondent

The discovery of a 40ft (12m) long tunnel dug by IRA prisoners in the Maze prison, supposedly the UK's most secure jail, yesterday led to a major security alert in Northern Ireland.

The tunnel began from a cell in H-7, one of the H-blocks which became known to the world during the republican hunger strikes of the early 1980s. Its discovery led to Unionist calls for an inquiry and the

disciplining of senior staff. The tunnel had passed underneath a fence around the H-block. To reach the outside world beyond the prison's high outer perimeter wall the IRA prisoners had another 90ft to cover.

Had this been achieved, 95 republicans, all classed as high-security prisoners, could have been let loose into the countryside. Such an incident would have dwarfed even the 1983 IRA "great escape", when 38 IRA inmates broke out through the main gate.

As it is, the incident is embar-

assing for the Government and calls into question the unique way in which the prison is run.

The tunnel was at least 5ft underground and was lit by electric light, which has been a feature of IRA tunnels since at least the 1970s.

Prison staff said it was shored up with chairlegs and in particular with bedboards which had been provided for inmates with supposedly sore backs.

Finlay Spratt, of the Prison Officers' Association, said: "It would appear they could request the

bedboards when they wanted one, and nobody seemed to keep any check on it."

Mr Spratt has repeatedly complained in recent years that prisoners have almost unlimited freedom within the H-blocks.

Inside each block, cells are not locked, there is free association, and prisoners are organised not by staff but by the paramilitary organisations to which they belong. Searches are often resisted.

All attempts by the authorities over a quarter of a century have

failed to eradicate this strong element of paramilitary control. It was clearly the existence of such a regime which made feasible the building of a tunnel.

It was apparently discovered when a prison officer on a routine patrol noticed some subsidence and raised the alert. The 95 republicans in H7 were moved to another block to allow a search of their quarters, where rubble was found dumped in a number of places. Visits to republican prisoners have been suspended.

Mr Spratt added yesterday: "The

fact that we have no effective search policy to conduct searches allowed the prisoners to construct this tunnel without any hindrance or investigation by staff. An officer has told me that six months ago he reported to the authorities that there was banging coming from H7, but it would appear nobody on the management side did anything about it."

While Unionists condemned the security arrangements, Sinn Féin voiced approval and commiserations over the failed attempt.

Gerry Kelly, the party's election

candidate in North Belfast, said: "They are prisoners of war, they look upon themselves as prisoners of war. It is their duty to escape from jail."

"I suppose they will be disappointed. However, they have made the effort and they can feel good about that. Fair play to them."

During a lengthy IRA career, Mr Kelly himself made six escape attempts from prison, three of which were successful. In 1974, IRA inmates dug a 134ft long tunnel to escape from the same prison.

Prisoners bound by code of honour

David McKittrick

The republican tradition that prisoners have a duty to try to escape is personified in Gerry Kelly, now a prominent political figure in Sinn Féin, who played a leading role in the 1983 mass escape and other incidents.

He first escaped from Belfast's Crumlin Road jail in the 1960s, taking refuge in the Irish Republic. He was held in Mountjoy prison, but escaped from there too, reputedly by hiding in a tree for several days.

In 1974, while on hunger strike in Britain, he almost succeeded in breaking out of Wormwood Scrubs, but was spotted on top of the prison's outer wall. After being transferred to the Maze prison he made two unsuccessful attempts before breaking out in 1983.

Such adventures are boosts for republican morale, but they often have lethal consequences. In the 1983 breakout, a warder

was stabbed and died, though at a subsequent trial it emerged that he had a serious heart condition, and the judge ruled it could not be said the stabbing had caused his death.

In 1974, a republican inmate successfully tunneled out of the Maze, but was shot dead by a soldier on the perimeter. Ten years later a loyalist inmate, attempting to escape inside a refuse lorry, became caught up in its mechanism and was killed.

The history of the Troubles is studded with escape attempts, most of them unsuccessful. The most ambitious, prior to the discovery of this tunnel, came in 1989 when the IRA planned to blow up a wall of Crumlin Road jail with a 1,000lb bomb carried by a JCB digger.

Cars had been left around the prison for escaping prisoners to collect, but in the event a tyre on the digger blew and the operation failed. Semtex explosive was later found inside the jail.

The Maze, on a 130-acre site in countryside outside Lisburn, Co Antrim, is really a series of prisons within a prison. The eight H-blocks are each capable of housing nearly 100 men.

IRA prisoners are held in three of the units, the INLA in one and the loyalist UDA and UVF have one each and another between them.

One block is always kept empty for emergencies — like yesterday's, when the IRA men in H-block 7 were moved to H-block 8 after the discovery of their escape tunnel.

Prison officers keep the men within their H-block compounds but inside they can move or less do what they want when they want, subject to their paramilitary commanders.

Cell doors are left open, paramilitary emblems and murals adorn the walls. Televisions and videos are provided in association rooms on each wing of the blocks.

WILL THEY HELP FIGHT STROKE — THE COUNTRY'S THIRD BIGGEST KILLER?

The Stroke Association is calling for a greater priority to be given to stroke. Stroke can affect anyone, whatever their age or politics. It shatters lives and is the largest cause of severe disability.

The Stroke Association has published an Agenda For Action and is calling for

urgent improvements in stroke prevention, treatment and care.



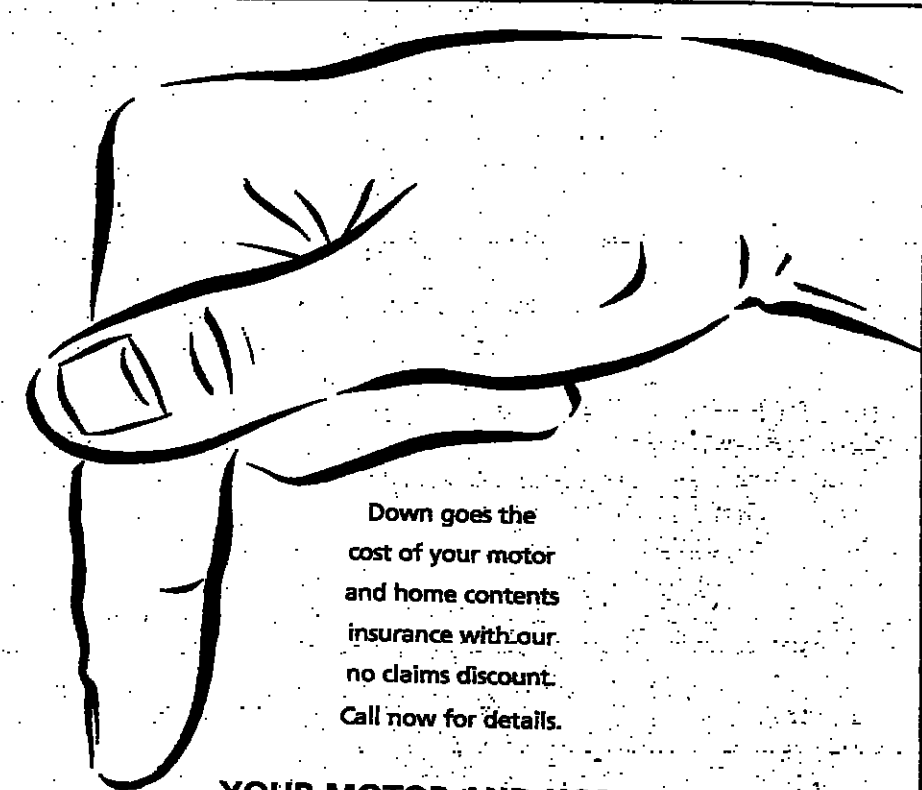
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Families take historic stand against council for withdrawing protection against noise pollution

Bedrooms on the hard shoulder of a motorway: welcome to the homes from hell



Room with no view: Blue Rendell looking out of the window of her bedroom at the traffic on the Canning Town fly-over

Photograph: Kalpesh Lathra

Ian Burrell

When five-year-old Blue Rendell looks out of the bedroom window, she could be sat on the hard shoulder of a motorway.

The juddering that thunders past, barely 10ft away, is one of 86,000 vehicles that cross Canning Town fly-over each day, subjecting the Rendell family to a constant din equivalent to the

sound of a pneumatic drill operating outside the house.

The local council's idea of giving the Rendells and other families in the poor east London neighbourhood a little respite was to rip out their protective windows. Yesterday, in a historic action, 16 Canning Town families, all local authority tenants, served summonses on the London Borough of Newham,

seeking damages for noise nuisance and breach of contract.

The case is remarkable in that council environmental health officers are meant to police noise pollution. Yet they cannot prosecute their own bosses.

So, the families have brought their own county court action. Solicitor Claire Hodgson, of Leigh Day in London, said: "It's astonishing the council can take

away such essential noise protection and not consider the consequences. My clients' lives have been very seriously affected. We will be pressing for fast and effective action from Newham and damages for the harm they have caused."

The families say they feel that they are living "sat on a pavement". Freight lorries go past throughout the night.

The windows of the Rendells' front bedroom have been smashed by stones thrown up by passing traffic. Hub caps have landed in the garden, along with a section of central reservation.

Blue's mother, Jackie, 34, said: "My children live closest to school, but have the worst attendance records, because they are woken up every few minutes."

The neighbourhood was quiet when the houses went up in 1972. A year later the fly-over was built, opening a gateway from the City to the Essex coast. The Highways Agency agreed to fit houses in and around Lawrence Street, adjacent to the fly-over, with protective windows. They came with air vents which meant they did not have to be opened.

Twenty years later, Newham council stepped in. The old protective windows were pulled out and a form of secondary glazing substituted. The tenants have obtained evidence which shows that while the old windows met with noise regulations, their replacements did not. Noise levels of 60 decibels inside the houses are now more than double the level they were

before the council took action.

The new windows were so poorly fitted that some tenants could put a hand through a gap between the glass and the frame. Rain poured in.

A council spokesman said the matter had been discussed by the authority's housing committee. He would not discuss the legal action in advance of the council preparing its defence.

Britain given final warning over sheep-dip dangers

Nicholas Schoon

The European Commission is poised to prosecute Britain in the European Court of Justice over the way the UK allows its farmers to dispose of sheep dip chemicals.

The poisonous insecticides, implicated in Gulf War syndrome and chronic illness suffered by dozens of sheep farmers, can still be disposed of after dipping by pouring them on to farmland mixed with slurry. The commission's view is that they should go to hazardous waste sites. Now it has issued a formal "Reasoned Opinion" to the Government, warning that Britain is not complying with the European Union's groundwater protection directive.

This is the final stage before the matter is taken to the court and the Government now has two months in which to respond.

The move follows a complaint to the commission by Brian Anderson, who has been ill for seven years since drinking water from the well which

served his home and had been contaminated by the chemicals.

The Tay River Purification Board said at the time that samples showed contamination by diazinon, an organophosphate chemical which had been used by a neighbouring farmer to protect his flock against insect attack. After dipping, the water was drained on to his land and mixed with the groundwater.

"I'm delighted that something is happening," said Mr Anderson, 55, who lives at Blair Gowrie near Perth. "I just resent the way the Government refuses to take cases like mine seriously." He had to give up work running a bed and breakfast and a nursery and now suffers lethargy, memory loss, headaches and constant aches and tingling in his legs.

"I'd just come in from helping to coach the school rugby team," he said yesterday. "As soon as I drank the water, I felt a burning in my throat and stomach. Now I can't stand up for more than 10 minutes and

I've been told the damage is irreversible."

The Department of the Environment said it was reviewing the rules and guidance to farmers on disposing of sheep dips.

While guidance to farmers has changed in the 1990s to try to prevent pollution of streams, rivers and groundwater, sheep dip can still be dumped on farmland provided it is some way from streams and boreholes.

Farmers are advised to consult the Government's Environment Agency first, to see if the land in question is suitable but they are not obliged to do so by law. All farmworkers using the chemicals have to undergo training which includes advice on disposal.

Mr Anderson's complaint was made four years ago with the help of the OP Information Network, a group campaigning against the use of the chemicals. Elizabeth Sigmund, who runs it, said: "I don't know how the Government can have been so stupid for so long. I hope this does change things now."

Fears over blood plasma link to CJD

Charles Arthur
Science Editor

The fatal brain disorder Creutzfeldt-Jakob Disease (CJD) can be passed by blood transfusions, according to an American scientist who presented his findings to the World Health Organisation yesterday. Experiments with mice have shown that blood plasma is capable of transmitting the disease agent. This would also apply to the "new variant" of CJD (v-CJD), thought to be derived from the agent which causes bovine spongiform encephalopathy (BSE), or mad cow disease.

The work was carried out by Paul Brown, a leading scientist in both BSE and CJD based at the National Institutes of Health in Bethesda, Maryland. He injected blood from mice infected with CJD into the brains of healthy mice, which then became ill.

The implications of his work, which is not yet published, are that blood and blood products donated by people who subsequently die of v-CJD should be removed from blood banks.

But the UK National Blood Authority said last night that it was not aware of any such cases and has not been instructed to trace any donations from people who die of v-CJD.

However, it did tighten its rules on blood donation by families and relatives of CJD

victims in August last year.

Meanwhile yesterday, the father of the fifteenth person to die in the UK of v-CJD - 19-year-old Matthew Parker, who died at the weekend - accused the Government of murder.

John Middleton said: "This

The Government has murdered my son and I want someone to be accountable for his death

has been a cover-up from day one. The Government knew it was giving infected feed to cattle and knew that would be passed into the human food chain. They have murdered my son and I want someone to be accountable for his death. Someone must stand up and admit it's their fault."

Two more Britons who have been diagnosed as having v-CJD are still alive. In total there are 17 recorded cases, compared with 10 at this time last year when the Government first announced the existence of a link between BSE and v-CJD.

Dr Brown's work has confirmed the fears of experts, who have long suspected that the prion protein which causes it could be transmitted in the blood.

But Dr John Barborough, microbiology consultant to the NBA, who heard Dr Brown's talk, told *The Independent*: "It's dangerous to extrapolate from this. Injecting into the brain is a million times more effective as a transmission."

"But, being cautious, we will be looking at this in the NBA, and will watch out for anything that looks significant, and working with the Department of Health."

CJD victims, and people who have developed the disease from injections of human growth hormone, are also banned from donating organs. But many of the victims of v-CJD develop symptoms quickly and die soon after showing clinical symptoms. It is also impossible to know if people are incubating the disease. The first victim of v-CJD in the UK was almost killed in a road crash, and might therefore have been a potential organ donor.

The blood of people who are incubating the disease would be potentially infectious. The prion protein eventually seems to concentrate in the brain and nervous tissue, where it leads to holes, which give the brain a spongy appearance.

CAN YOU HELP MAKE STROKE A NATIONAL PRIORITY?

If you would like to stop stroke shattering lives, please sign The Stroke Association's petition calling for action:

- to prevent more strokes through the monitoring and treatment of high blood pressure, the biggest risk factor for stroke.
- to treat stroke as an emergency to improve the chances of recovery of people who have strokes through prompt hospital admission, assessment and treatment.
- to increase access to rehabilitation to give every stroke patient the best chance of recovering and regaining independence.

- to tackle inconsistencies and underfunding for people requiring long-term care in a residential or nursing home after a stroke.
- to improve the level of support at home for stroke patients and their families wherever they live.
- to develop new and better treatments for stroke by increasing resources for research.



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IND 25-32

Desperate cargo: why ever more stowaways are willing to risk all

Patricia Wynn Davies

Refugee experts called yesterday for tougher action on the plight of stowaway migrants who are increasingly falling prey to traffickers in the face of

tightening asylum rules in European Union countries. Speaking after the death of a 12-year-old African boy who stowed away in the wheel arch of a Jumbo jet on Saturday night, Claude Moraes, director

of the Joint Council for the Welfare of Immigrants, said he estimated that the number of clandestine entrants was rising because of an increase in the activities of traffickers prepared to cash in on human misery.

Mr Moraes and Louise Williamson, director of the children's division at the Refugee Council, both warned that the problem of stowaways – including unaccompanied children – could only worsen as EU

countries erected higher barriers against would-be asylum-seekers. Ms Williamson said: "We have to look at the whole question of just how difficult it is to get to this country legally." She

went on to dispute the suggestion made on Sunday that a young person seeking to flee his country alone was a rarity. While the majority were not stowaways, in the year ending March 1995, the council re-

ceived 361 referrals from unaccompanied young people from 40 countries, 87 of whom were 14 or under, she said. The following year there were 626 referrals, 112 of whom were 14 or under.

The tragic ending to the attempt by the 12-year-old to reach Britain is the latest in a string of incidents in which migrants have opted to risk the suffering and deprivation – or even death – experienced in cargo holds on ships and aircraft and the backs of lorries rather than the political or economic privations of their home countries.

Ground staff at Gatwick airport found the boy's mutilated body after a British Airways 747 arrived from Nairobi, Kenya, on Sunday morning. He was crushed by the front wheel, which retracts after take-off.

The death follows political unrest in Kenya in the past few weeks, culminating in the death of Solomon Muruli, a student

Now the stowaways are determined enough to face extremes of heat or cold or the possibility of dying

leader. Earlier this month, the body of Vijay Saini was found in Richmond, south-west London, after he froze to death in the landing gear bay of a BA flight from Delhi, India.

His brother, Pardeep, managed to survive temperatures as low as minus 60C in another wheel arch and is at present having his asylum application considered.

It is not in dispute that some stowaways will be "economic" migrants rather than genuine refugees fleeing a war situation.

But Mr Moraes said: "There has been an increase in the numbers of stowaways who would in the past have had a case. Now they are desperate enough to face extremes of heat or cold or the possibility of dying."

He said that he had received reports from agricultural areas in Kent and East Anglia that illegal immigrants were being exploited as cheap seasonal labour.

The prospects for most stowaways appears bleak, however. Sniffer dogs trained to detect human odour are routinely employed at Britain's south coast ports and those not detected can face horrible deaths.

At least 11 African men have recently died in the holds of ships, either from dehydration or the effects of pesticide. Last September, a Russian stowaway froze to death in the luggage hold of an Aeroflot flight to Rome.



Vain effort: Keith Safford, a 14-year-old stowaway, falls to his death from a Japan Airlines jet taking off from Sydney airport on 22 February 1997. Photograph: AP

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DAILY POEM

To John Clare

by John Clare

Well, honest John, how fare you now at home?
The Spring is come and birds are building nests,
The old cock robin to the sky is come
With olive feathers and its ruddy breast,
And the old cock with wattles and red comb
Struts with the hens and seems to like some best,
Then crows and looks about for little crumbs
Swept out by little folks an hour ago.
The pigs sleep in the sty; the bookman comes,
The little boys, less home-close-nesting go
And pocket tops and taws where daisies bloom
To look at the new number just laid down
With lots of pictures and good stories too
And Jack the Giant-killer's high renown.

Until the end of next week, the "Daily Poem" will be taken from the latest volumes in the Everyman's Poetry series, published by Everyman/JM Dent. Each volume costs £2 and includes a critical introduction and chronology. John Clare is edited by RKR Thornton. The John Clare addressed in this poem was probably the poet's son, born in 1826.

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Holy order hitches up its habits to go surfing



Oh brother: Father Nicholas (left) with Father Cenydd and computer at Belmont Abbey, Hereford

Photograph: Richard Stanton

Chris Mowbray

And it came to pass that an order of holy brothers, who were seeking new ways of keeping a roof over their heads in the commercial cut and thrust of the 20th century, looked upon the Internet with interest – and lo, it was good.

So the Benedictine monks launched a company called Monksoft and started advertising in cyberspace for holiday breaks at their 140-year-old abbey.

The 45-strong community at Belmont Abbey, near Hereford, found that they needed a new source of income when their independent boys' school closed down due to a shortage of pupils.

Their prayers were answered when one of their abbot's friends, Fr Mark, a computer buff who writes his own programmes, offered use of his earthly talents. For behold, is it not written: "By their deeds shall ye know them?"

Now paying guests from as far afield as the United States know about the brothers from their advertisement in cyberspace and travel to the abbey to enjoy a peaceful holiday in its tranquil gardens and surrounding countryside.

Fr Nicholas, the managing

director of Monksoft, said yesterday: "We have extended Saint Benedict's idea of hospitality somewhat beyond what he originally envisaged, but he was all for welcoming people to our doors."

"We are only doing in a comput-

Monastic trade

The Trappist religious order has brewed and sold beer for centuries, particularly in Belgium and Holland. Others, such as the Cistercians and the Benedictines, have allowed their name to be used on beer and wine.

Monks at the Benedictine Buckfast Abbey, Devon – famed for its honey and tonic wine – have formed a "common market" with a shop selling products made by orders across Europe.

The Cistercian brothers on Caldy Island, Dyfed, sell perfumes, chocolates and dairy products from a pedigree herd of 70 Jersey cows.

Religious music in general and Gregorian chants in particular have been real money-spinners for several religious orders.

crised way what monasteries have always done. Throughout history they have welcomed guests from all walks of life from kings and queens to pilgrims and the poor.

"People on holiday are not usually interested in the monastic side, but we also run retreats for guests who want to take part in our life and prayer or share in some peace and quiet."

The abbey also offers bed-and-breakfast to travelling business people and is a member of the Heart of England Tourist Board and the South Herefordshire Tourism Association Bed Bureau. It rents out its refurbished school dining room for wedding receptions and other parties, provides conference facilities and encourages visits by schools.

Monksoft also operates a sideline printing parish and school magazines, wedding booklets and its own Christmas cards and stationery based on desktop-publishing packages written by its surfing abbot.

"When our school closed, we had to do something else to raise money," Fr Nicholas said.

Fr Mark has also written some computer programmes to help us run the company and we chose the name Monksoft because it seems so appropriate."

Contract killer in feud murder bid gets life

Kim Sengupta

An Irish terrorist imported to the mainland to take part in an underworld war was jailed for life at the Old Bailey yesterday.

Contract killer Michael Boyle was found guilty of attempting to murder Tony Brindle during a long blood feud between two rival gangland families which had led to eight deaths on the streets of London.

Ordering that Boyle, 49, of Inchicore, Dublin, should serve at least 15 years, the Recorder of London, Sir Lawrence Venn QC, said: "Of all classes of killer, the contract killer must be regarded as the worst: a man who is prepared to offer his services to take a life of someone totally unknown to him, and to do so for payment."

"In this case, there is a background of a feud which has lasted over many years and has cost eight lives, and it is something of a miracle that there was not a ninth life lost as a result of your conduct."

Boyle's co-defendant, David Roads, 51, of Croydon, south London, was convicted of possessing an explosive substance, firearms, and handling stolen goods. He was sentenced to 10 years. The jury was told Roads had acted as a quartermaster in the operation to shoot Brindle and had armed Boyle, a former intelligence officer with both the IRA and INLA.

The Old Bailey was told how the vicious war between the Brindle family and another family called Daly, in south London, claimed at least eight lives in five years.

During the Ulster ceasefire, paramilitary gunmen began to be used by gangsters in Britain to carry out contract hits. The Brindles and the Dalys had links with Ireland. The Dalys had worked with drugs baron George Mitchell in the South.

The Brindles did business with the loyalists of east Belfast. This connection brought Boyle to London from his native Dublin. He had contact with criminals in Dublin, especially Mitchell, and had served a 12-year sentence for kidnapping.

Boyle also acted as a Garda informer and told them about the contract on the Brindles. His handler warned him not to get involved but stressed that he should continue his close contact with Mitchell to get information on drugs. The details were passed on by Dublin to Scotland Yard.

A police surveillance team kept watch on potential targets in the Brindle family, the court was told. They were disguised as gas men when Boyle arrived. Despite the police watch Brindle was shot three times on his doorstep in Rotherhithe, south London. Undercover officers then shot Boyle before he could finish the job.

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election countdown

Tories target Labour hospital closure plan

Fran Abrams
Political Correspondent

All Tory candidates are to challenge their Labour opponents on hospital closures after revelations in yesterday's *Independent* that the party is planning to close hospitals to save £2m pay for dental checks, less rationing of treatment and better salaries for doctors and nurses.

Although Labour has denied that it has any such plans,

the Conservatives moved swiftly yesterday to exploit the revelation, which is bound to spark public anger.

Stephen Dorrell, the Secretary of State for Health, wrote to all his party's prospective MPs enclosing a list of hospitals which he said would be at risk under Labour's plans. They should challenge Labour candidates to say that the future of those facilities was safe, he said.

At a briefing with journalists,

he said the report in yesterday's *Independent* "blows the gaff" on the opposition's health policies. The Conservatives have repeatedly challenged Labour to say that it will raise health spending year on year.

"It is simple arithmetic that within the overall total they will have to impose cuts in the hospital service to make the figures add up."

"The story in *The Independent* blows the gaff on their health policy. We know and have

known for some time that the key difference between the Conservatives' health policy and Labour's is that the Conservatives will deliver."

Mr Dorrell also highlighted a survey of fundholding general practitioners in which more than nine out of 10 said they would oppose Labour's plans to abolish practice-based budgets.

Chris Smith, Labour's health spokesman, reacted angrily yesterday, dismissing the report - which detailed plans which

Labour believes will raise £2bn over a number of years - as "complete rubbish". He has, however, confirmed that a Labour government would try to save money by merging the managements of NHS trusts.

"It is this government who cannot be trusted with our hospitals. They have closed 245 since 1990. Unlike the Tories we are interested in what is best for patients, not creating more bureaucrats," he said.

Mr Smith added that Labour

had put a moratorium on further hospital closures while an independent review of the hospital needs of the capital was carried out.

The party has also said that local hearings should be held wherever the closure of a hospital or hospital facility is promised. There was new evidence yesterday that a number of senior figures in hospital trusts believe their futures lie in mergers with neighbouring trusts.

At a debate in Manchester on the subject last week, organised by health consultants McClean, Jones, McCarthy, several argued in favour of mergers. The participants, who were all trust chairmen, chief executives or doctors, voted by 56 to 34 in favour of a motion that trusts should merge in order for health services to improve.

One trust chairman said: "Which ever party wins the general election on the first of May, the incoming government will

want some mergers. Indeed it is probably desirable that the more obvious trusts should merge as soon as possible before the public bonds with them."

Mr Dorrell has sent a list of 66 "at risk" hospitals to candidates, based on a suggestion from the Audit Commission that those hospitals which have fewer than 50,000 patients registering each year should be examined to see whether they can provide adequate quality of care.

There she is...that one from you know...haven't we seen her on the telly?



Glenda Jackson (centre), Labour MP for Hampstead and Highgate, canvassing the marginal seat of Redditch in Hereford and Worcester yesterday on behalf of the party's candidate Jacqui Smith



Photographs: Brian Harris

Teachers warn on schools spending

Lucy Ward
Education Correspondent

A future Labour government must be prepared to break its promise of a two-year freeze on public spending and pump more money into education.

Speaking on the first day of the Association of Teachers and Lecturers conference in Cardiff, the union's general secretary, Peter Smith, said that by sticking to the spending pledge "like Araldite". Shadow Chancellor Gordon Brown would provoke cynicism among teachers and voters.

It was questionable whether the party would be able to tackle problems it had identified as needing attention, he said.

Mr Smith called on Labour to review spending on education within its first 100 days in power if it gained office on 1 May.

Increasing cash for schools should be its top education priority, since the sector had been squeezed "till the pips squeaked".

A recent Harris poll commissioned by ATL revealed 86 per cent of the public thought more money was top of the list if schools were to improve.

Mr Smith, who heads a moderate union of 150,000 teachers and lecturers, stepped back from condemning Mr Brown, but added: "If he really is saying that for two years he will apply the decision, with no moderation whatsoever, put into place by his predecessor Kenneth Clarke, then it will only be a matter of time before people ask: 'Time for a change? Where is the change in that?'"

Blair husband and wife team caught out by schoolboy error

Steve Boggan catches up with the opposition leader as he launches homework initiative

It was elementary spelling that earned Dan Quayle a place in the history of political gaffes when he told a classroom full of children that "potato" had an E on the end.

Yesterday, it was simple arithmetic that caused blunders in the Blair household when Cherie gave a 10-year-old the wrong answer during the presentation of Tony's big idea on homework.

As political gaffes go, it was a mild one quickly corrected by the Labour leader and handled smoothly and with great humour by a slick husband and wife team.

But it was an illustration of the extent to which a message - in this case the recruitment of Premiership football teams to encourage children to do their homework - can be lost in a

growing media maelstrom hungry for splits, cock-ups, in judicious asides and simple errors.

The Blairs were at Hillsborough, the home of Sheffield Wednesday FC, to launch the homework scheme under which four Premiership clubs, supported by private and public finance, would encourage literacy in problem children. Mr Blair was wired up for a satellite link-up with David Blunkett, the shadow education secretary, who was at Chelsea FC, one of the four clubs.

But first he hovered over 10 children aged from 10 to 13 who sat shivering, doing homework for the benefit of cameras, in the middle of the pitch.

"You'll need a rubber for that, it's wrong," he corrected one of them, Tom Lane, 10, from Brookhouse School in nearby Beighton.

Unfortunately for the Labour leader, the lad pointed at Mrs Blair, who uses her maiden name, Booth, in her profession as a barrister, and said: "But she told me..."

"Gosh," said Mr Blair, laughing at his wife. "And you with all those brains, too."

"Oh, alright, show off," she

replied. "I'll never hear the end of this, will I?"

Indeed not. Already news-desks across the country were being alerted to the gaffe. Mark Covell, Labour's regional press officer, said the question was from a Year Six homework paper.

"It said something like 'If you had so much money to take to the fairground, how many rides could you go on?' he said. 'Tom wanted to go on the big wheel. Cherie gave him the wrong answer and Tony quickly corrected him.'"

But too late. It had already

become the highlight of a rather dull day on the election stump. Earlier, the Blairs had visited the Peak National Park in Derbyshire to drum up support for Tom Levitt, the candidate for High Peak, number 53 on Labour's list of 56 seats it must take from the Tories if it is to seize power.

No gaffes there as the couple joined children at nature tables in the mud and drizzle. But there was a high point when one Labour media apparition dangerously hopped over a cattle grid and ran to the assembled press shouting: "Look, look! They've found a frog!"

With six more weeks to go, questions remain over whether, with such tension in the air, the candidates will crack.

John Major yesterday tried to draw a line under the controversy over the Downey report, but he found he could not get away from sleaze.

Having brushed aside questions about financial improprieties, he did a walkabout in South Street, Braintree, Devon and walked into a hardware shop with the name "Sleaz" over the door.

Party managers looked aghast when they spotted the error, and Mr Major quickly made his exit. Winners need luck and it appeared to have deserted Mr Major yesterday at the end of a determinedly upbeat tour.

A few paces before stepping into Frank Sleaz's shop, Mr Major had comforted nine-year-old Simon Murray, who complained about being knocked in the eye by one of the photographers covering the trip.

"Life is like that. Occasionally you take a knock, Simon, and then you bounce back," Mr Major said. The Prime Minister sought to bounce back from last week's setbacks by campaigning in Paddy Ashdown's back yard where there are a string of key marginals which the Tories are defending against the Liberal Democrats, including Exeter, Devon West and Torridge, the seat of Emma Nicholson who defected from the Tories to the Liberal Democrats.

"We are beginning to deal with the real issues. Last week

Tory message gets lost in Devon lanes

Colin Brown
Chief Political Correspondent

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"We are beginning to deal with the real issues. Last week

we saw quite astonishing economic figures. Today we saw the balance of payments returning to equilibrium... all the economic indicators are set extremely fair. I don't think you can draw that out throughout the whole campaign," Mr Major said.

There was little evidence of a swing back to the Tories around the Green Lanes shopping centre in Barnstaple, in the North Devon seat of Nick Harvey, the Liberal Democrat MP.

Janet Sanders, a housewife, said she had switched from Tory to Liberal at the last election and would be sticking with the Lib Dems again.

Liberal Democrat support was also holding firm at Braintree where Mr Major and his wife, Norma, had lunch at a fish and chip shop. Unlike Tony Blair, Mr Major looks at home in the chip shop. It suits his man-of-the-people image; he would never mistake mushy peas for avocado moussé.

North Devon is a traditional Liberal seat, which returned Jeremy Thorpe. Tory campaigners are hoping that the appeal of Tony Blair will help them unseat the Liberal Democrats and fight off the challenge in the West Country in seats where they came second last time.

Mr Major is a approaching the threat by jumping Mr Ashdown's party with Labour. His message is that a vote for the Liberal Democrats may elect a Labour government but in this corner of the West Country it seemed more likely to encourage than dissuade the voters.

Old comrades rally to a new cause

Fran Abrams
Political Correspondent

Rejoice! The Communist manifesto is published. The workers are still marching gloriously in the vanguard of the revolution, but until that happens, the proud footsoldiers of the class struggle would quite like it if we all voted for Tony Blair's New Labour.

So, that seems straightforward enough then. Not that yesterday's Communist election launch did not have some scope for confusion, though.

This, of course, is the Communist Manifesto of 1997, not the Communist Manifesto of 1848. However, the real mani-

festo of the Communist Party of Britain, *The British Road to Socialism*, was first published in 1951.

The party we are dealing with here is fairly easy to distinguish from other left-wing movements. It has nothing to do with the Communist Party of Great Britain, which no longer exists.

Or the Democratic Left, from which its 1,200 members split in 1988. Or the Revolutionary Communist Party, which is more... well, revolutionary.

Or the Workers' Revolutionary Party, which presumably has more workers.

Or the Communist League. Or the Socialist Party of Great

Britain. Or, for that matter, the Socialist Party.

No, this is very definitely the Communist Party of Britain. The party that believes that "the working class and its allies must take political, economic and state power out of the hands of the capitalist class."

This is the party that believes in mass struggle and in the principles of Marx and Lenin. The party that wants you to put Mr Blair into government.

Although the Communist Party of Britain has three candidates of its own standing in the general election it is prepared to take a realistic stance in conceding that it is unlikely to form the next government.

So, even though its policies include withdrawal from Europe, full grants for students, free childcare for all and 50 per cent tax for people earning more than £50,000 a year, it is backing Labour.

Mike Hicks, the party's general secretary, explained: "We have always taken the distinct position that it is the Labour movement that will be in the position to encourage the Labour Party to take a different course."

Labour, he added, had a genuine working-class base in the trade union movement. This, in the end, would set it on the right road.

Mr Hicks has not yet received

a message of gratitude from the Labour leader for his party's support, and does not expect to receive one. For while the Communist Party of Britain might be backing Labour, it is not backing Tony Blair.

"We don't think Tony Blair will go on for ever. Individuals will come and go and the movement will live on," Mr Hicks said. "Revolutionary change will happen. We will be part of it. The future is not capitalist, it is socialist." Unfurl your banners, comrades, and polish off your tool kits. The barricades have been out of use for so long that they are bound to need a touch of maintenance before the grand day comes.

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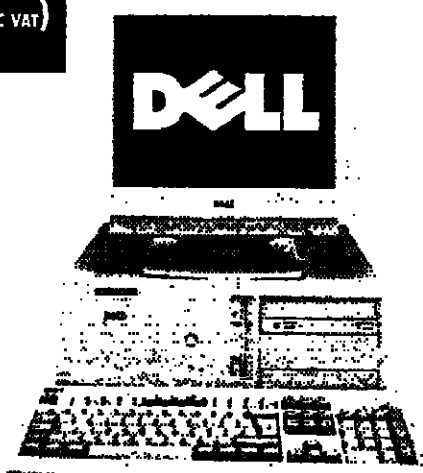
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election countdown

Schools get cash pledge by Major

Colin Brown
Chief Political Correspondent

John Major announced yesterday that the Tory election manifesto will contain a pledge on legislation to force education authorities to give more money from the Government to schools.

Senior Conservative sources confirmed that the manifesto will say schools should have more discretion over the money they spend.

It will heighten suspicions that the Government is intent on side-stepping Labour education authorities to overcome allegations of cuts in spending on schools when the education budget has been increased.

The Prime Minister spoke of his frustration in a local radio interview for Lantern FM during a campaigning tour of north Devon.

Answering claims that local schools had been starved of cash, he said: "We still have a problem that too high a percentage of the money that the Government provides for education is held by education authorities at the centre and not dispersed to the individual

schools. So you have a frustrating position - the Government says we have provided more money but the people in the schools say we have less money. Sometimes the people in the schools are right because the authorities have held back the money.

"What we propose to do is legislate to make sure the money is not held back by education authorities but make sure it goes through to the school, the headmaster, to the governors in the way they think is most efficient."

The Government first announced plans to force local authorities to increase the amount of money they passed on to schools in a White Paper last summer. It said it would raise the level from 85 per cent to 95 per cent, a move which would increase schools' spending by £90 per pupil, according to Gillian Shepherd, the Secretary of State for Education.

Last night, a spokeswoman for the Department for Education and Employment said it wanted to consult fully before putting forward proposals. No formal consultation paper would now be published before



Caught in the crowd: John Major wooing voters in Braintree, north Devon, yesterday

Photograph: Tom Pileton

the general election, she said.

The plans, under existing arrangements for local management of schools, would be bound to cause some discomfort among local authorities because they would eat into the remaining services which were still

held centrally. Although schools now have control of their own budgets, councils have so far been allowed to keep back 15 per cent to pay for such things as education welfare officers, special needs advisers and school admissions services.

It is likely under the Conservatives' plans for 95 per cent delegation that the education authorities would have to turn most such services into independent agencies and invite schools to buy into them with the extra resources that they

have been given. Both the Conservative and Labour parties are committed to local management of schools, although the Government's previous attempts to force councils to delegate 90 per cent of their budgets were dropped.

Labour has said that it wants to raise the proportion dispersed to schools from 85 per cent to 90 per cent, and that within that figure the amount which should be spent on administration should be no more than £50 per pupil.

Ashdown gets new view of old haunt

Barrie Clement

The last time Paddy Ashdown went to Abingdon he fell on it from an aircraft. Mr Ashdown, who completed his parachute training for the Royal Marines at the town's airfield, yesterday arrived more conventionally as leader of the Liberal Democrats.

It was the first skirmish for Mr Ashdown's "battle bus" and it was a foray into a key constituency in middle England.

Oxford West and Abingdon is an area apparently replete with young professionals whose concerns about their future are leavened with Liberal Democrat-style worries about society.

Launching the battle bus at College Green outside Parliament, Lord Holme, the party's election campaign manager, estimated that the coach will have covered around 15,000 miles, travelling to 100 constituencies, by 1 May.

While Lord Holme stays in London to fight his corner in the unseemly wrangle over the proposed television debate between party leaders, Mr Ashdown took to the hustings.

The Liberal Democrats calculate that if 1992 patterns are repeated the Tory vote in the constituency would stand at 46 per cent, compared to the Liberal Democrats' 36 per cent and Labour's 16 per cent. And Mr Ashdown believes that a swing of 5.2 per cent is well within the party's reach.

Mr Ashdown was determined to avoid the traditional whistle-stop tour where electors are regaled with mini-monologues from harassed politicians: "I feel that conferring Westminster blessings on some unsuspecting laithe operator is deeply unsatisfactory," he said. Alas, the inevitable tour of the shopping precinct was little more than that, but the one theme which came through strongly was concern about education - the Liberal Democrat holybores.

Most illuminating perhaps was his conversation with media students at Abingdon College who have conducted a survey on the political attitudes of 18 to 25-year-olds. Their findings will depress politicians of all colours.

Natalie Thorne said that only about one in five held serious political views: "Most of them don't give a stuff."

Referendum Party sues over canvassing claim

Michael Streeter

Sir James Goldsmith's Referendum Party yesterday issued a libel writ following allegations that a former Tory agent was paying individuals to persuade people to vote for the party.

A report in yesterday's *Daily Express* said an undercover reporter was offered £5,500 an hour by Charlotte Blacker, the Referendum Party agent in Putney, south-west London, to carry out promotion work allegedly described as "canvassing".

According to the newspaper, Ms Blacker, in whose constituency Sir James is to stand as a candidate, told an undercover journalist not to tell anyone that he was being paid for canvassing.

In a secretly taped conversation, she reportedly said: "It's our word against theirs."

Under the 1983 Representation of the People Act, it is illegal to pay someone to canvass on behalf of an election candidate. It is not against the law to be paid for general party work.

After serving a writ on the newspaper, a spokesman for the Referendum Party said a claim that they had paid anyone to canvass illegally on behalf of Sir James was "wholly false". The article was part of a dirty tricks campaign against them, the statement said.

It said literature and videos given out in Putney referred to Sir James as the leader of the party and not as a prospective candidate for the constituency, and that so far there had been no canvassing for votes.

The penalty for paying canvassers is a fine of up to £5,000 and a five-year ban on being allowed to vote.

The *Express's* Deputy Editor Tessa Hilton said they would defend the action fully. "It is rather depressing that the Referendum Party, whose slogan, after all, is 'Let the people speak', should act against a newspaper bringing an issue as important as this to public attention."

"We are confident that our account of procedures of the Referendum Party in Putney, the chosen seat of Sir James Goldsmith, deserve full scrutiny."

The Tory party chairman Brian Mawhinney said there should be an investigation into the claims.

Ms Blacker, aged 40, who was said by workers at the Referendum Party office near Putney Bridge to be unavailable for comment, spent 12 years as the Conservative agent for Kensington. She joined Sir James' party last year.

In 1989, she helped steer the Tories to a rare by-election victory when Dudley Fishburn was elected. According to former colleagues, Ms Blacker, whose sister, Lulu, is a friend of the Duchess of York, had already established a formidable reputation as a blunt speaker.

One said: "She is a domineering character who says exactly what she thinks. If she disagreed with someone at a meeting with senior officials at Central Office, she was liable to say 'That's bollocks.'"

On one occasion, she responded to what she regarded as a dull speech by a party official by getting up and handing out biscuits as he was in mid-flow. Another ex-colleague said: "Frankly, she doesn't give a shit. She has that public school, Sloane Square kind of confidence."

At one time, Ms Blacker, whose family are landowners in Hampshire, had a relationship with the armed robber turned social commentator, John McVicar.

Chez nous: a designer peek behind Blair's Islington curtains

Jojo Moyes

Tony Blair is a conservative - not really because of his politics, more the way he and Cherie furnish their sitting room.

Close examination of a photograph in yesterday's *Independent* of the Labour leader at home in Islington, north London, reveal him, according to interior design experts, as "dated", "not very thrilling" and ... "conservative".

Caroline Atkins, editor of *House Beautiful* magazine, judged the Blair home to be "surprisingly conservative". "Crystal chandelier, pleated curtain pelmets - it's terribly formal and rather uninvited in," she said. It was evidently not the kind of home she had expected of the

young father. "I hope he has some fursomewhere - I envisage a big family kitchen with a scrubbed pine table and lots of Islington clutter, but I suspect Cherie's locked him in here until he gets his TV presentation finished."

Sarah Bravo, deputy editor of *Ideal Home* magazine, said that room "lacks warmth and personality". "There is nothing in the room that makes a statement one way or another ... the only personal touches are a collection of photographs, but even these seem to have been strategically styled."

Most scathing was Tyler Brule, editor of *Wallpaper*, Britain's trendiest new interiors magazine. "I think that a new Labour government would def-

initely have to establish a Ministry for the Interior," he said.

Given that Labour was a party leading us into the next millennium, he said, it was "rather backwards looking" in terms of what he thought may have been a publicity "set". "I thought the Labour Party would have gone for something rather more thrusting in its approach," he said. "Those pelmets and fabrics are so traditional - but perhaps this is a comfort to dyed-in-the-wool Conservative voters."

Just as Labour's accusers say the original Mr Blair has been spin-doctored and air-brushed out of existence, so his home appears so determined not to offend that, according to one design specialist, it resembles a hotel foyer.



On show: Tony Blair at home, in yesterday's *Independent*

Photograph: Adrian Dennis

Lizzie O'Prey, deputy editor of *Inspirations* magazine "for up-market, creative homes", said the Labour leader's room appeared "rather like a show home - somewhere that has been designed for display, rather than as a comfortable

home". She said it felt "quite dated and a bit ostentatious. Crystal chandelier lighting is all well and good in the foyer of the Hyde Park Hotel but over the top for a family home."

Perhaps Mr Blair was determined to avoid charges of elitism:

"The fabric overcloth and glass tabletop - it's the sort of furniture you'll find in the show home at Barratts," Ms O'Prey said. Still, in the world of interior design, just as in the world of politics, there is no pleasing everybody.

significant shorts

SNP takes ITV to court over debate exclusion

The Scottish Nationalist Party will take ITV to court today for excluding Alex Salmond, the SNP leader, from any televised debate between John Major and Tony Blair.

The SNP said it would seek an interim interdict that would ban the screening in Scotland of a programme excluding the party, and added it had set both the BBC and ITV a deadline of today to respond to its concerns. While the BBC had not yet replied, ITV had sent a flat rejection.

Negotiations continued yesterday between ITV, the BBC and the three main political parties in an effort to agree a format for a televised debate between the party leaders. The broadcasters' negotiations are being led by Marion Bowman, ITV's deputy controller of factual programmes and Tony Hall, chief executive of BBC News.

Paul McCann

Redwood cancels book launch

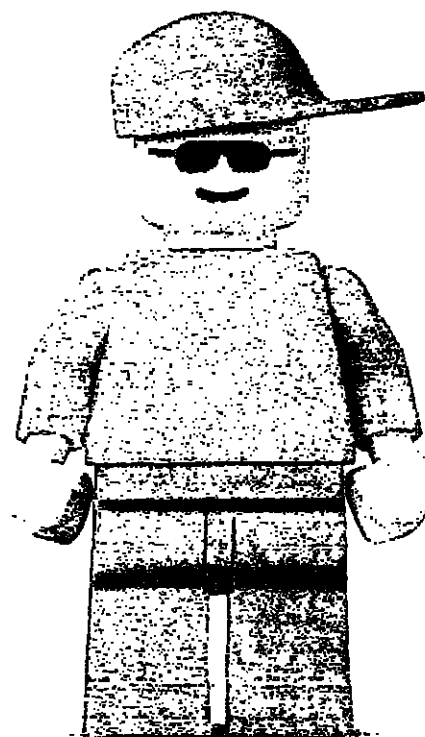
John Redwood, the former Cabinet minister and Conservative leadership challenger, has been forced to cancel the launch of his book on the single currency after accusations that it would form an alternative manifesto for his party.

Although there will not now be a press conference to mark the book's publication, it is available in the shops. Mr Redwood's opposition to a single currency contradicts his party's official stance, which is that Britain should "negotiate and decide".

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international



Surrender: Zairean government soldiers standing in line in Kisangani yesterday waiting to turn themselves over to rebels

Photograph: Reuters

British commandoes stand by to pull Westerners out of Zaire

Christopher Bellamy
Defence Correspondent

British special forces, including members of the Royal Marines Special Boat Service, are among about 2,000 western troops waiting in the wings to pull Western civilians out of Zaire if the situation there deteriorates further.

The SBS - seaborne commandoes - are less well-known than the Army's SAS but operate in even more hostile conditions, as canoeists and frogmen on enemy coasts, delivered to their targets by ships and submarines.

It was the SBS, not the SAS, who carried out the first special forces operation in the Gulf War, cutting the fibre-optic cable linking Saddam Hussein's

headquarters with his Scud-missile launch sites, just 40 miles from Baghdad. Paddy Ashdown, the Liberal Democrat leader, is a former member of the SBS.

The British force at present is modest - about 15 specialists, providing reconnaissance and expertise in the use of specialised equipment.

An estimated 470 Britons are among Western foreigners still in Zaire. Diplomatic sources at the weekend said their advice to Western nationals was still at "phase one" level - do not go to Zaire unless you have to and leave unless it is imperative to stay. There are two more stages: "get out" - by commercial means - and, finally, assisted evacuation, when no commercial means are available.

The main escape route from the capital, Kinshasa, is north across the Zaire river into Brazzaville. On the other side, about 1,200 French and 500 Belgian troops are waiting to help Western nationals to leave the country.

The French and the Belgians both have historical links with the country and their presence is also a reflection of a desire to maintain political influence, rather than a reflection of the number of their own nationals. The United States has several hundred troops in the area, but would play its biggest part by providing air transport.

The anti-government rebels, who control one-fifth of Zaire, say their forces are 100 miles from the southern mining capital of Lubumbashi and half that

distance from the diamond-mining capital of Mbuji-Mayi. Johannesburg-based investment analyst John Klemmow told the news agency Reuters that the rebels were already offering gold prospecting concessions, in parts of the country they control, to foreign companies.

Laurent Kabila, the rebel leader, yesterday dispatched a senior aide to represent him in Togo at tomorrow's special Organisation of African Unity (OAU) summit on Zaire's civil war, officials said.

US and French envoys lobbied some 20 African countries to convince them to push for a ceasefire and talks at the summit, French officials said. But regional analysts doubted the success of the summit in the absence of President's Yoweri Mu-

seveni of Uganda and Pasteur Bizimungu of Rwanda, as well as Mr Kabila.

President Mobutu Sese Seko, back in Zaire after cancer treatment, has not said whether he will attend but his journey home on Friday left him so drained that he sent away an official welcoming committee and did not appear in public until Sunday.

State radio said that Mr Mobutu had "taken note" of a disputed vote by the transitional parliament to sack Prime Minister Kengo wa Dondo.

Supporters of veteran opposition leader Etienne Tshisekedi, who has long coveted the job, and even supporters of Mobutu and Kengo aides, said the veteran president's comments suggested that Kengo was finished as premier.

Religious zealot who has turned Sudan into a pariah state

Mary Braid
Khartoum

Dr Hassan al-Turabi gazed out of his office window, above the point where the Blue and White Niles meet, and sniffed at the British colonial bridge which still traverses the river.

The religious guru, accused by the US of supporting Islamic terrorism, preferred to focus further upstream on the bridge, being built by the Chinese.

To say Dr Turabi, speaker of the Sudanese parliament and leader of National Islamic Front (NIF), which seized power in Sudan seven years ago, was anti-British would be a monumental understatement. "We did not ask them to come here and massacre people," Dr Turabi said, referring to Kitchener's defeat of the Mahdist tribesmen a century ago at the Battle of Omdurman, which led to British-Egyptian rule in Sudan until independence in 1956.

In his opulent office, where engraved Islamic texts sit alongside mounted models of bullets, Dr Turabi says Britain hardly invests in Sudan any more. He looks beyond the obvious - like the NIF's alleged links with terrorism - for reasons, and argues that the British, like the Egyptians, are jealous of the former colony's success.

It is hard to see how. Despite Dr Turabi's upbeat assertions, Sudan could hardly be in worse shape. The Islamic Arab north has been at war with the African Christian and animist south for 30 of the past 40 years. The war has claimed millions of lives and is estimated to be costing \$1m (£625,000) a day.

Sudan could do with friends but in the seven years since the NIF manipulated itself into power - immediately banning all political parties - Sudan has become one of the loneliest countries on the planet. It is shunned by Arab countries for its support of Iraq during the Gulf War and for harbouring Islamist extremists. Egypt believes Sudan was involved in the 1995 assassination attempt on President Hosni Mubarak, and the country is virtually at war with Uganda, which it accuses of backing southern SPLA rebels.

Now its eastern neighbours Eritrea and Ethiopia, worried by its expansionist rhetoric, have given refuge to Dr Turabi's brother-in-law and former prime minister, Sadiq al Mahdi, who fled Khartoum at Christmas. Mr Mahdi, great grandson of the original 19th century leader and head of the National Democratic Alliance, shook the Turabi regime to its roots in January by launching the first joint attack on Sudan's eastern border by his northern opposition group and the SPLA.

An undeclared international embargo, meanwhile, has dried foreign investment and aid to a trickle.

If Dr Turabi is feeling the heat, it does not show. He believes Sudan's Islamic govern-

ment is setting an example for the entire Arab world, and at first meeting his overseas reputation as a "mad, evil genius" seems undeserved.

Who can blame a poor Arab country, at the bottom of the capitalist heap, for trying to forge its own way? With his constantly flailing arms and eyes brimming with enthusiastic conviction, he comes over as an Islamic Magnus Pyke. "It is good they have isolated us," he says. "It forces us to be independent."

Dr Turabi, who was educated at London University, the Sorbonne and in the US, only became a bogeyman in the 1990s but he has been pulling strings in Sudanese politics for decades, nursing his Islamic dream and waiting for his chance.

He talks for two hours, desperate to display his knowledge

of the non-Arab world. Western democratic systems are routinely trashed. Dr Turabi does admit, however, that Sudan has buckled under US pressure. It has expelled some alleged extremists and made itself less of a home from home for radical Islamic movements.

Ironically, Washington refuses to acknowledge any change. It recently provided Eritrea, Ethiopia and Uganda with \$20m of "non lethal" military aid. That strengthens Dr Turabi's call for defiance. "If that is what the US admits to, there is far more happening covertly," he says.

After attacking all international enemies, Dr Turabi sneers at those at home who believe religion is something private and separate from politics. Unfortunately that is the way the majority of Sudanese Muslims (Sufis) see it.

The logical conclusion of Dr Turabi's Islam occurred during the January attack in the east when an imam in camouflage fatigues, wielding an AK47, incited people in Khartoum to jihad. The call did bring considerable numbers on to the street but the fervour was short-lived. Many Sudanese were offended by this fusion of politics and religion.

Sudan is a comparatively relaxed Islamic country and its Muslim population is conducting a quiet but highly effective campaign to keep it that way. Directives that men and women should not walk together and women cover themselves more completely are ignored. "They will never make their brand of Islam stick," says a Sudanese academic. "People are saying little but they stay away. The sheikhs are also silent. That is their statement."

The professor, like most government opponents, is too afraid to give his name. Khartoum is crawling with security police and up to 500 dissidents are estimated to be under arrest.

But in Dr Turabi's eyes there are no secret police or "ghost houses" where dissidents are tortured; there is only a "free country" and popular support for a government poised to realise Sudan's enormous potential.

Dr Turabi: "It is good that the US has isolated us"

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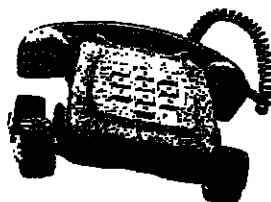
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HONDA

First man, then machine.

Forty years on, is the European train still running on track?

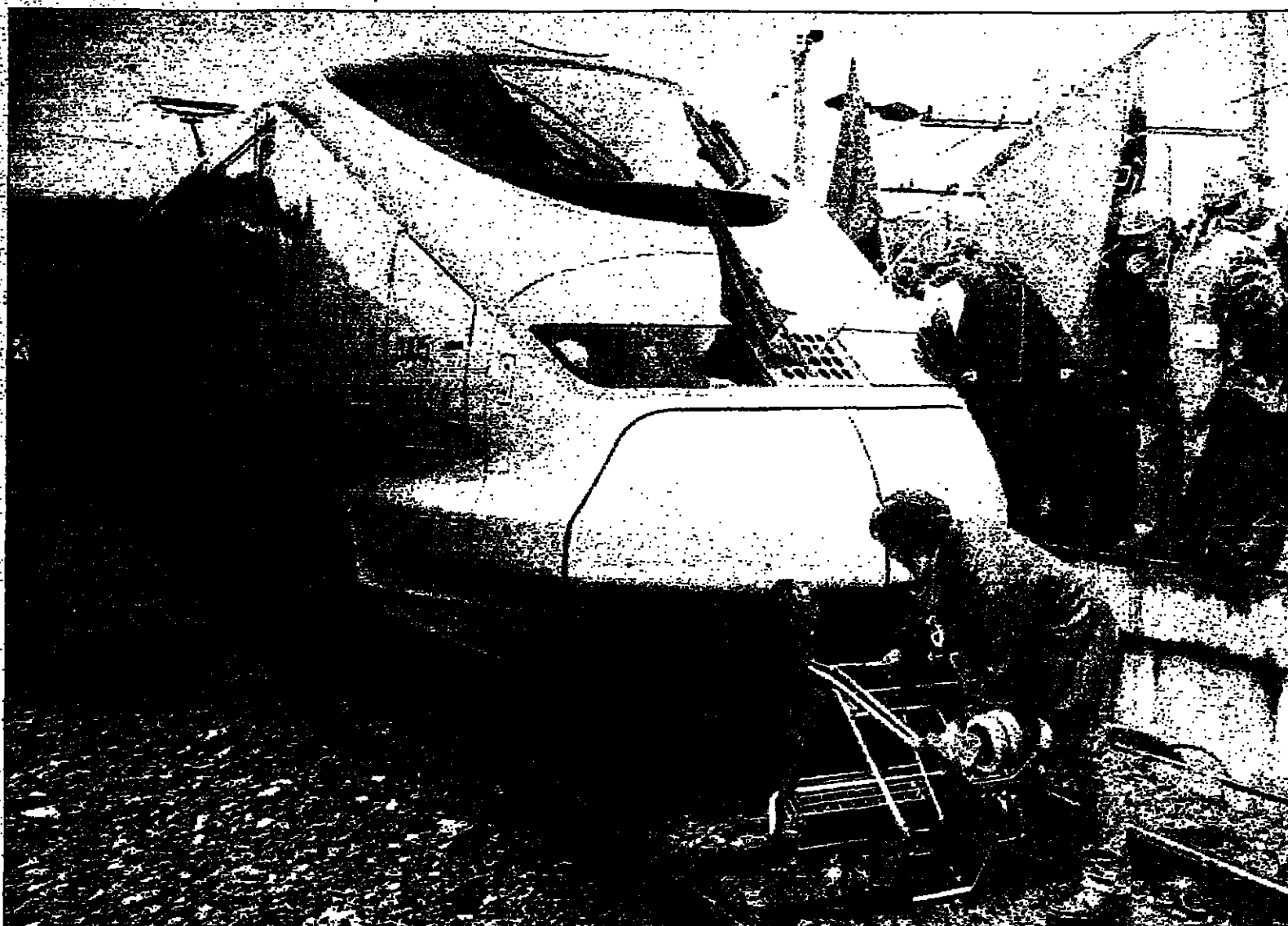
Flags and flowers set party wheels in motion as Rome celebrates the birth of a Union, writes Sarah Helm

Flowerbeds in the Piazza Venezia have been laid with the colours of Europe and the Piazza Campidoglio has been decked with European flags. The Municipal Police Force in Rome has been practicing its times for "Europe" and a March for Europe has been prepared by the association of amici dell'Europa - friends of Europe. Even the Pope, it seems, is joining in the fun. A short film entitled *Giovanni Paolo II in Europa* is to be shown in the Opera.

Rome is today celebrating a 40th birthday - the anniversary of the signing of the Treaty of Rome - and the Italians are determined to stage the event in style. After all, Italy was one of the exclusive club of six which was here at the birth of the common market - or, as it is now, the European Union.

Particularly among those founding six - Germany, France, Italy, the Netherlands, Belgium and Luxembourg - nostalgia will no doubt hang heavy in the air as they look back to their early ideals and objectives. It was all about achieving peace, they will recall. The words of Jean Monnet, principal architect of the Treaty of Rome, who called for "the victors and vanquished of two world wars to exercise joint sovereignty over their joint resources" will no doubt be recalled. Self-congratulation is bound to ring out over the popping balloons. "Forty years of peace," Jacques Santer, the European Commission president was heard to proclaim yesterday before the celebrations had even begun. "Forty more years," they will all chant today.

And, of course, there will be the usual party jokes. "Remember how you Brits said the treaty stood no chance," the six will tease, referring to the scorn which the British poured upon the draft Rome treaty in 1955. "Monsieur le President, messieurs, au revoir et bonne chance," scoffed pipe-smoking



Stalled: A Belgian worker from Renault placing a trolley in front of the Brussels-London Eurostar yesterday, as a protest against the Vilvoorde plant closure, following unionist marches in the Belgian capital a week ago against rising job losses, inhumane firms and uncaring governments. Photograph: Reuters

Russell Bretherton, Britain's envoy to those treaty negotiations, before walking out and banging Britain's door against Europe for another 18 years.

Yet, like any 40th birthday, this one will be characterised not just by nostalgia and jollity, but also by soul-searching and self-doubt. Today's 15 member states are about to set out on another round of integration by signing the Treaty of Amsterdam, in June, and embarking on Economic and Monetary Union on 1 January 1999. The next round of enlargement, bringing in countries from east and central

Europe, is also about to begin. These events bring big change and big questions for Europe. And, as anyone who has had a 40th birthday knows, the biggest question of all is - what is it all for?

Vaclav Havel, President of the Czech Republic - an aspiring member - asked this question in particularly poignant terms during a recent address to the European Parliament. "I find," he said, "that as Europe goes ahead with its unification it has to rediscover, consciously embrace and in some way articulate its soul or its spirit, its underlying

idea, its purpose and its inner ethos... and, finally, ascertain what its mission is."

Many of Europe's leaders would today still answer that that mission is peace. But even among the founding six the old rhetoric rings hollow with ordinary people. Younger generations, who have forgotten the war, are no longer prepared to blindly follow the early ideals of Europe's founding fathers, and are asking tough questions about what economic benefits Europe will bring and what their stake is in its future.

Newer members largely

joined for economic reasons. The reluctant Danes, for example, were told that the European Union was about being able to sell butter and bacon. But, today, doubts about the economic aims of Europe are as deep as they ever have been. Rising unemployment and spending cuts are being blamed on efforts by member states to meet the criteria for economic and monetary union.

Since the end of the Cold War, enlargement has increasingly been offered as the new "mission" for the union. Bringing in the former Soviet bloc

countries will give integration a form of moral underpinning, leaders hope.

The new draft treaty for Amsterdam proposes another possible new "mission". The EU should aim to create an area of "freedom, justice and security" says the document, in an effort to combat international crime, terrorism and drug trafficking.

All these new missions for Europe will no doubt be set out during the 40th anniversary. But the union appears to have little idea of how to communicate them to its "citizens".

Leading article, page 17

Children could explain Canada cult suicides

Quebec police are hoping three teenagers, who apparently opted not to join their parents in a ritual cult suicide at the weekend, will help them unravel some of the continuing mystery surrounding the Order of the Solar Temple doomsday cult. Authorities had believed the cult was no longer active in Quebec until a fiery ritual in a farmhouse at Saint-Casimir near Quebec City left five people dead. When police and firefighters arrived at the burning farmhouse on Saturday evening they found two boys aged 13 and 16 and a girl aged 14 in an adjoining building in a confused and apparently drugged state. They were put into the custody of a social agency. **Hugh Winsor - Quebec**

Papuan ministers resign

Ministers in the cabinet of Papua New Guinea Prime Minister Sir Julius Chan resigned en masse yesterday, piling more pressure on Mr Chan to quit over his hiring of foreign mercenaries. Five ministers either resigned or promised to resign ahead of a parliamentary resolution to force him to resign over a \$30m contract with the British firm Sandline International for mercenaries to crush a rebellion on Bougainville island. The army has also set Mr Chan a deadline to quit before parliament resumes this afternoon. **Reuters - Port Moresby**

Albanian PM seeks help

The Albanian Prime Minister Bashkim Fino flew to Rome yesterday for talks with European Union foreign ministers aimed at winning EU help in bringing order to his country. Italy is to turn away boats bringing Albanians to its ports in an uncontrolled exodus across the Adriatic. **AP - Tirana**

Nigerian protesters target Shell

Some 120 Shell staff and contractors, all Nigerians, were being held at oil installations overran at the weekend by villagers involved in a dispute with a Niger delta local government. The oil company, often the target of environmental protests in Nigeria, said it had passed on a list of demands to the Delta State government but had not been asked to mediate and had not requested government help to remove the protesters. **Reuters - London**

Savimbi pledge on parliament

Angola's Unita rebel leader, Jonas Savimbi, promised that all Unita members of a new unitary parliament would be in the capital Luanda within 24 hours, clearing the way for its delayed inauguration. Mr Savimbi, who has been stalling on a commitment to send in his party's MPs, made his pledge after meeting visiting United Nations secretary general Kofi Annan. **Reuters - Bailundo, Angola**

Renault workers block Eurostar

Some 200 workers from the Renault car plant in Vilvoorde blocked high-speed trains to Paris and London to protest at the planned closure of their factory. The workers prevented Eurostar trains to London and the Paris-bound Thalys trains from starting their runs from Brussels Midi station. **AP - Brussels**

Ancient Egyptian had cancer

Egyptian experts have found early evidence of cancer in the skull of a workman who helped build the Giza pyramids 4,600 years ago. **Reuters - Cairo**

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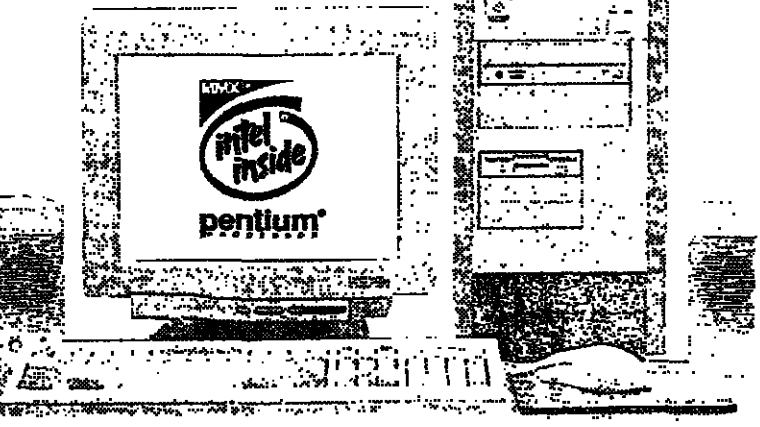
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Deadlock over Israeli security

Patrick Cockburn
Jerusalem

The Palestinian leadership has rejected Israel's demand for security co-operation in the wake of the suicide bomb in Tel Aviv. Mohammed Dahlan, the head of the Palestine Security Service in Gaza, yesterday said: "We stopped the security activities and intelligence co-operation as a result of Israeli violations of the agreement by continuing to establish settlements."

Israel continues to accuse Yasser Arafat, the Palestinian leader, of giving a "green light" to suicide bombers by not arresting them. Hamas, the Islamic militant organisation, said it was giving "the mercy bullet" to the peace process.

Mr Dahlan said: "We will not accept or deal with Israeli conditions and will treat them as if they didn't exist."

Mr Arafat, who is on a nine-

day tour of east Asia, blames the recent increase in violence on the building of a new Jewish settlement in Jerusalem.

Benjamin Netanyahu, the Israeli Prime Minister, is trying to convince the outside world that it is Mr Arafat who is guilty of undermining the Oslo peace process, while his own hands are clean.

There was continuing rioting in Hebron and Bethlehem yesterday with 200 Palestinian police in Hebron forming a barrier to stop stone throwers attacking Israeli soldiers. General Moshe Yaalon, the head of Israeli military intelligence, said that Jibril Rajoub, the head of Preventive Security on the West bank, was fomenting the riots while pretending to rein in the rioters. Mr Rajoub said: "My guys were on the streets to try to control the situation."

The United States has so far refused to endorse Israel's allegation that Mr Arafat gave a

green light for the suicide attack. Madeleine Albright, the US Secretary of State, said there was no proof the accusation was true. Israeli analysts suggest this neutral position is to balance the American veto of two UN Security Council resolutions condemning the building of the Jewish settlement at Har Homa. The US wants to retain some credibility as a mediator in the eyes of the Palestinians.

It is unclear what Mr Netanyahu will do if there is another suicide bombing. General Amnon Lipkin-Shahak, the chief of staff, says Israel does not want to reoccupy the Palestinian controlled enclaves, which would touch off a wider war. But if it does not it is left with few options for preventing another bombing. Mr Netanyahu would also find it difficult to compromise unless he did so in the context of forming a coalition government.

Middle East terror, page 19



Breach of peace: A Palestinian policeman yesterday pushing an Arab protester away from Rachel's Tomb, a Jewish holy site in Bethlehem. Photograph: Reuters

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Canberra kills off the world's first right-to-die legislation

Robert Mullan
Alice Springs

The world's first law allowing voluntary euthanasia was itself put to death last night, less than a year after its birth, when the Australian Senate voted to overturn the historic legislation.

The decision in the capital Canberra brought anger in the Northern Territory, Australia's most remote region, where the euthanasia law began operating last July after the territory's parliament narrowly passed the Rights of the Terminally Ill Act. "We're seething with outrage," said Shane Stone, the territory's chief minister, whose administration presides over an area the size of Europe with less than 1 per cent of Australia's population.

The world's first law allowing doctors to end the lives of terminally ill people at their request has aroused a storm of controversy since it came into force. Four people have died under the law: Bob Dent, Janet Mills, Max Bell and a patient whose identity has remained private. All had terminal cancer.

Although opinion polls indicate that more than two-thirds of Australians support voluntary euthanasia, the House of Representatives in Canberra used its powers late last year to override the territory's law. It passed a bill sponsored by Kevin Andrews, a backbench MP from the ruling Liberal Party, nullifying the law. After a passionate debate over the past week, the Senate, the upper house of federal parliament, last night endorsed the Andrews' bill on a conscience vote by 38 votes to 33.

In the heat of the controversy, the moral, legal and medical issues surrounding euthanasia became obscured by arguments about states' rights. Mr Stone had voted against the euthanasia bill last year in Darwin, the territory's capital, but later lobbied federal MPs in Canberra, the national capital, not to overturn the law.

"I don't accept the principle of euthanasia..." he said. "But the issue now has gone beyond that to one of taking away the devolved powers of legislatures, to pass the laws they want."

The federal parliament's vote consigns the euthanasia law to history, and ends the hopes of more terminally ill people who were said to be planning travelling to Darwin to use it. All four people who did die under the law were patients of Philip Nitschke, a Darwin doctor known as "Doctor Death" over his outspoken campaign in support of the law.

As the Senate last week began debating the Andrews' bill, a fifth patient, a British-born former nurse, 56, suffering from a rare cancer of the intestine, sent an emotional plea to Canberra calling on MPs to let the territory's law stand.

The woman, whose identity Dr Nitschke kept confidential, has lived in the territory for 15 years and has worked as a nurse

among Aboriginal communities. In a letter to MPs, the woman said: "The prospect of recurrent bowel obstruction, with the associated pain and indignity, is almost too much for me to contemplate. I plead with you, do not support the [federal] bill or at least call a referendum. Please listen to those of us who are terminally ill, and too sick and weak to argue."

"I do not want to end my life prematurely because of the timing of this vote. I will die soon, but please let me, and those other terminally ill people in my position, decide when."

Anti-euthanasia groups have waged a strong campaign in Canberra in the nine months since the territory's law started operating. Led by the Catholic church, the right-to-life movement and the Australian Medical Association, and arguing that no law should sanction the taking of human life, the anti-euthanasia lobby put strong pressure on federal MPs to intervene.

Unlike Australia's six states, whose laws cannot be overturned constitutionally by the federal parliament, the Northern Territory is one of two federal territories whose powers of self-government derive ultimately from Canberra. The federal parliament can overturn a territory law by amending the self-government act, as it did last night with the Euthanasia Laws Bill.

ADVERTISMENT Ginger & Impotence FREE REPORT

A new study claims that a regular intake of ginger can bring significant relief to people suffering from impotence. Taken in the right dosage, this study concluded that the spice can not only ease the symptoms of impotence, but may also provide a permanent solution to the problem. What's more it appears likely that there are a number of other natural substances that act as a sexual stimulant. Now you can get a summary of these findings, written in straightforward English, free of jargon or confusing language. This summary is FREE to sufferers - with no obligation, now or ever. To claim your copy, write to: **Carmell Ltd, Dept GP28, Alresford, Gt. Chester, Essex CO7 8AP.**



Hong Kong 香港 handover

Tycoons shift allegiance as Britain's power wanes

Stephen Vines
Hong Kong

The trappings of power still surround the outgoing colonial administration but they are mere trappings. Understandably many people are asking: who will wield real power in the new order?

They are not inquiring about the status of Tung Chee-hwa, the Chief Executive, who will head the first post-colonial government, nor are they curious about his senior officials who, with just one exception, will be inherited from the old order. What they really want to know is who will be most influential from behind the scenes.

In the new Hong Kong the really influential people will be the big league businessmen. It is hardly a coincidence that Mr Tung himself is drawn from the ranks of the colony's leading tycoons and feels comfortable with those from a similar background. The Chinese leadership also feels relaxed in the company of these tycoons who pride themselves on pragmatism and are impatient with the niceties of democratic politics.

In recent years the tycoons have lost some ground to a new breed of elected politicians and professionals, but the big business bosses remained influen-

tial and acquired proxies drawn from this group of politicians. China, however, wanted to see the businessmen in the front ranks of the committees it established to prepare for the handover of power and so they were drawn back into the limelight.

Although it may not have been appreciated at the time the most important of the Chinese advisory committees was the first, set up in March 1992, after the constitution for the new Hong Kong had been drafted and China was getting down to the nuts and bolts of resuming sovereignty over Hong Kong. The main qualification for appointment seemed to be wealth. Eighteen advisers in this committee were multi-millionaires, including Mr Tung who was then little known outside shipping circles. He was joined by the far better known Li Ka-shing, Hong Kong's richest man, who remains one of the most influential people in the colony.

Mr Tung may also be classified as a representative of "old money", unlike Mr Li, and other appointees such as the film tycoon Sir Run Run Shaw and the construction billionaire Gordon Wu. Old money, which in Hong Kong can mean money passing from the first to the second generation, was repre-



Time running out: The Hong Kong stock exchange continues to make money for investors in the last months before Peking takes over the colony

Photograph: Tom Pilston

seated in even greater numbers.

The old money group included the banker David Li, the young and ambitious Vincent Lo, who made a fortune from property development by building on another made by his father, and Edgar Cheng, chairman of the stock exchange.

David Li was also among the group of most prominent turncoats who switched overnight from being cheerleaders for the colonial regime to supporters of the new order. He was joined by the ambitious Nellie Fong, now a member of Mr Tung's cabinet. Maria Tam, a barrister, is another prominent member of this group. She was co-opted into the colonial government as something of a rebel, but quickly became one of its most loyal mouthpieces, helping to form a rather unsuccessful pro-Peking political party.

Aside from Ms Tam, there were three other prominent ship jumpers who had served on the Governor's Executive Council or cabinet. One is Sir Sze-yuen Chung, who was once the council's senior non-government member, and was recently appointed as the senior member of Mr Tung's cabinet. Lo Tak-shing moved rather more quickly across the tracks to play a highly mischievous role in using his British background to warn the Chinese of all the dastardly tricks which he saw the British playing. The third is Rita Fan, who now presides over China's rival legislature.

More predictably, China bestowed membership on long standing business supporters such as Henry Fok, who had helped China in breaking em-

porities for using such visits as arms sales pitches were limited. Detailed arrangements for the handover of Hong Kong on 1 July were also discussed. Today, General Fu heads for RAF Wittering in Cambridgeshire, to see demonstrations by the latest Harrier jump jets, and to the Permanent Joint Headquarters at Northwood, north-west London. Tomorrow he will visit Windsor Castle, the Defence Evaluation and Research Establishment experimental airfield at Boscombe Down, Hampshire, and the Royal School of Artillery at Larkhill, Wiltshire, where he will see Britain's latest quick-firing gun, the AS 90. He will also visit the naval base at Portsmouth.

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group was Leung Chun-ying (another Tung cabinet member), then just 37-years-old, but clearly marked for a key role in the new order. As a student Mr Leung had been associated with anti-colonial activities but this did not prevent him from studying in Britain nor from building

his early career as a surveyor by working for the British owned property consultants Jones Laing Wootton. He left to form his own successful property conglomerate. Mr Leung is widely regarded as next in line to be Chief Executive after Mr Tung retires.

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China's army chief shown latest British weaponry

Christopher Bellamy
Defence Correspondent
and agencies

The head of China's 2-million-strong army met British defence bosses yesterday as part of a five-day tour of the United Kingdom aimed at warming up relations. The most significant encounter was with Michael Heseltine, the Deputy Prime Minister, suggesting that arms sales were on the agenda.

A European Union embargo on sales of arms to China has been in place since the Tiananmen Square massacre in 1989. But speculation is rising that the measure might be coming to an end. The Portuguese Defence Minister, Antonio Vitorino, said yesterday that the EU ban may be lifted soon, according to the Portuguese national news

agency Lusa. "It is natural that the issue [of arms sales] will have to be re-examined" since relations between China and the EU were being normalised, he said in Peking.

General Fu Quanyou, 66, China's Chief of General Staff, who heads the People's Liberation Army, also saw his opposite number, Field Marshal Sir Peter Inge, the Chief of Defence Staff; Jeremy Hanley, the Minister of State at the Foreign Office; and Michael Portillo, the Secretary of State for Defence.

General Fu's visit to Britain comes at the end of a European tour which has taken him to France, Belgium and Italy. He is the most senior defence representative from China to pay a full-scale visit to Britain since 1989. Chi Haotian, the Defence Minister, stopped over

briefly last December, en route to Washington.

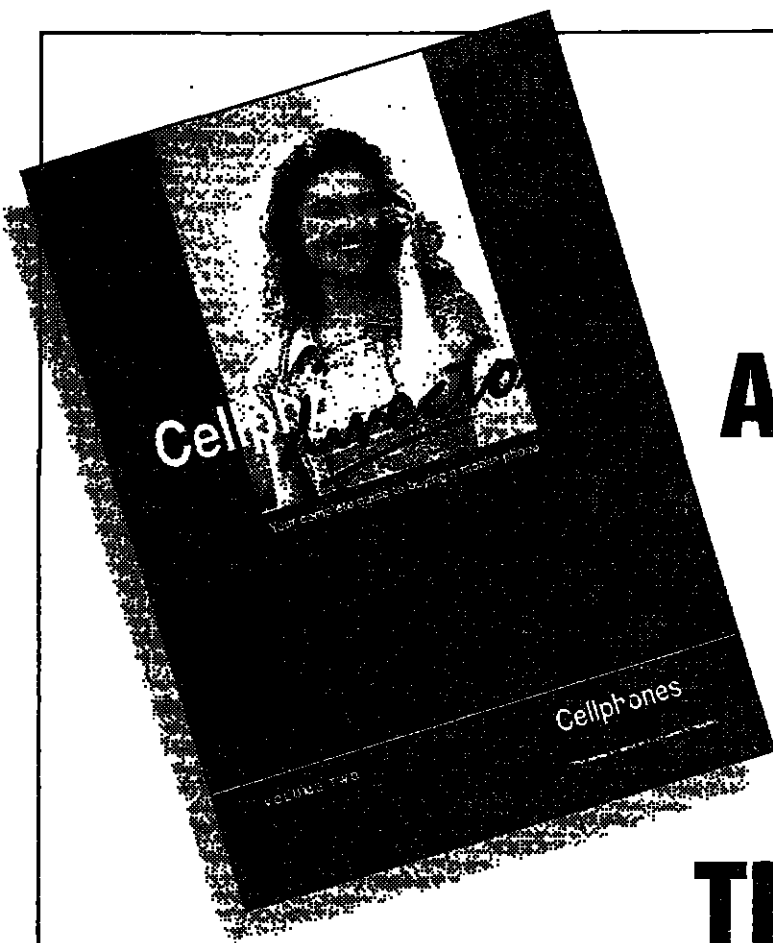
The Ministry of Defence also said that General Fu's visit was to reciprocate the hospitality extended to Field Marshal Inge when he visited China last November. In spite of its historic importance, the visit has been kept very low key.

Field Marshal Inge will retire in two weeks and sources said he was anxious that General Fu should visit before then. China is in the process of reducing its multi-million armed forces, and he was also anxious that General Fu should see a high-tech, well-trained, professional force, and to contrast this with the staged demonstrations which specially trained Chinese "court divisions" carry out for visitors.

Sources admitted that the Chinese might be interested in Harrier jump jets although the EU embargo meant that the opportunities for using such visits as arms sales pitches were limited. Detailed arrangements for the handover of Hong Kong on 1 July were also discussed.

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What is this election campaign about? And is there any prospect of having the real questions asked, let alone answered? Yesterday Paddy Ashdown's battle bus set off on his tour of 100 constituencies, with the Liberal Democrat leader snorting disdainfully at Labour's wheeze of the day, a plan to drag recalcitrant kids into football stadiums after school, promising them a tussle on the turf if they manage to polish off their homework. Anyone who followed Tony Blair on his day out in Sheffield would have learnt that the Labour leader likes the Spice Girls, Oasis and Blur. The best the Tories could do for most of yesterday was to wag a sorry head at Labour's plans to restore some limited rights to trade union members.

Now, readers of this paper, like anyone else, no doubt enjoy discovering that Tony Blair likes tummy, teeny bands more than grown-up ones, just as much as they enjoy peering into his living-room and admiring the ruffled curtains and frilly-edged cushions. But we are a week into the election campaign (yes, you have nearly six whole weeks left to go!) and voters could be forgiven for feeling that the whole thing seems just a little phoney.

So far the most substantial matters of comment – aside from the serious allegations of sleaze – include *The Sun's* decision to support Tony Blair, and the continuing palaver surround-

ing the on-off-on television debate. Is it merely coincidence that these two events are entirely media-related? Could it be that the whole business of election campaigning is self-reflexive? Politicians arrange meaningless events for reporters and broadcasters to go along and write meaninglessly about them, conveniently locking the whole campaign into a closed spiral.

Well, although you might be forgiven for thinking that it is not entirely true. The exclusion of useful argument also has a great deal to do with the desire of these particular politicians, at this particular moment, to avoid confronting the harder questions. A few examples will suffice.

Today is the 40th anniversary of the signing of the Treaty of Rome – a momentous event in our history, and in the history of Europe. The Treaty's ambitions live on in daily form. Indeed, for the past year we have legitimately been expecting a ding-dong debate the moment the campaign began about Britain's future in Europe. How naïve we were. The Conservatives desperately want to avoid discussing Europe as far as possible, since it merely highlights their divisions, and risks someone speaking out of line. Moreover, any Cabinet member uttering his or her own independent views on Europe is liable to be accused of campaigning in the post-election election for the Tory leadership.

Mr Blair, by contrast, could very easily conduct an interesting debate on Europe, and our future in it. But he would rather not, because he needs to sound sceptical with one audience (*The Sun's* leader writers and editors) while promising a committed European engagement to others (most of our business establishment).

Here's another example. Yesterday we reported (correctly, as will eventually become clear) that the Labour Party is considering how to close uneconomic hospitals and divert funds elsewhere in the health service. As it happens, this is an excellent plan.

What happens? Chris Smith, Labour's health spokesman, responds with hot denials. Why? Because he is worried that the Tories will pounce on it. In fact, it took long enough, but eventually Central Office clicked, and called a press conference to claim that Labour was going to close a specific list of hospitals in sundry constituencies, and that they would be telling local voters all about it.

In other words, Labour ducked the argument, and the Tories twisted it. Now, isn't there something just typical going on here?

What else? Today readers of our front

page today learn that a close look at the Tory plans for the public finances over the next three years shows that the Conservatives are actually planning steep cuts in spending on education and training, along with cuts in Home Office-funded services, to cover growing social security costs. If Labour wins the election, it will have to find that money from somewhere. But does anyone dare talk about this in the open?

Anyone going about their daily business in the past few days will surely have had several conversations along the lines of, "oh, I'm bored with this already. I don't know how we'll manage six more weeks of it."

One reason, clearly, is that too many people have already decided that Labour is so far ahead, that the conclusion is foregone, and that therefore everything that happens between now and 30 April is so much wet flannel. That attitude enables politicians to approach the entire campaign in the spirit of evasion: all Labour's energy will go into avoiding mishaps. In reality, though, these first two weeks before Easter were always likely to have been an artificial campaign, taken only half-seriously because everyone knows that the British public's attention span for election campaigns is understandably and sensibly limited. It does not mean that anyone should allow the rest of the campaign to be conducted in this manner.

The best hope is that the Tories take their fight energetically but with a little honesty into the Labour camp, and that the rest of us look hard at Conservative plans, which we have mostly ignored as "unlikely to happen". So long as Mr Major is on his back foot, as he has been throughout the first week, neither of these things will happen. And that is why what the country needs right now is for the Conservative campaign to get into gear.

Come clean about the soapbox

Readers have been writing in about the Prime Minister's soapbox. They point out that soap rarely comes in boxes, at least big ones, these days. Indeed, real soapboxes are about as hard to come across as Sopwith Camels, spats and wash-houses. So what is Mr Major really standing on? Was it knocked up specially – or did it once contain some other, perhaps less homely and cleansing substance? Was it a case of neat Dutch courage? Or a live ferret box? Or a hamper from Fortnum's, sticky with comfort food? Or a hamper, come to that, from Harrods food hall? Mr Major, we are a bold, campaigning newspaper. We demand an answer.

LETTERS TO THE EDITOR

Courts allow the abuse of patients

Sir: The decision of the President of the Family Division to starve a woman to death ("Legal confusion as coma woman allowed to die", 22 March) is disgraceful. It is one of a long line of cases in which the Family Division, often encouraged by the Official Solicitor, has sanctioned abuses of defenceless patients. The Official Solicitor has been particularly active in urging courts to impose forced obstetric intervention on vulnerable pregnant women: the judges always agree.

Last year, Mr Justice Wall ordered that force could be used on a woman detained in a mental hospital, to impose an induced labour or a Caesarean. The Official Solicitor argued for the use of force on his own client under the Mental Health Act 1983. The judge's reasoning for this barbarism was that a Caesarean was treatment for the woman's mental disorder: a decision derived by many legal critics. This is the man who ordered an anorexic teenager to be locked up a few days ago.

What is particularly sinister is the anonymity afforded by the court to the hospital and the doctors in this latest case, as in so many others. If state hospitals want to kill or otherwise abuse their patients, they should be forced to bring their cases into open court, in the Queen's Bench Division. The patient should have independent, civil liberties lawyers acting for him or her: not the Official Solicitor. Then the abuses perpetrated by secretive family courts would grind to a halt.

BARBARA M. HEWSON
Gray's Inn
London WC1

Sir: Sheila Kitzinger ("A battle for control of women's bodies", 22 March) seems determined to perpetrate several myths of childbirth.

The impression she gives of nature as a perfect midwife is cruelly misguided. In "traditional culture", where the practice of obstetric neglect may be followed, complications of birth occur which in this country are rarely seen outside a textbook. The prevalence of permanent urinary incontinence following prolonged obstructed labour in such cultures (Ethiopia being a much published example) is high and should concern anyone dealing with the birth process. She also continues to paint younger obstetricians (amongst whom I count myself) as a "described" body, unable to turn a breech, I, and many of my colleagues of a similar age, have been turning breech babies around for years. Breech presentation is uncommon, however, and for her to suggest that we could halve the Caesarean rate by practising it universally is wrong.

I think what she means is that we could halve the Caesarean section rate amongst women with a breech, which is not the same at all. There have, furthermore, been no suitably randomised trials that have proven the case for or against Caesarean section for breech beyond reasonable doubt, although there has been a great deal written on the subject.

Mr L. J. ROBERTS MRCGP MRCOG
Consultant Obstetrician and Gynaecologist
Winterton,
Lincolnshire



Unfair to Straw the 'deceiver'

Sir: Polly Thynne ("Howard's dismal legacy – Straw's great opportunity", 20 March) really is very unfair to Jack Straw: for the second time she has sought to convey the impression in her column that he is trying to become Home Secretary by deceit.

After the election, she says he will "speak in very different tones" about the waste and ineffectiveness of the Howard/Straw policy of backing massive expenditure on longer prison sentences. What basis does she have to suggest that Mr Straw was insincere in supporting large parts of Michael Howard's Crime Bill, and that his actions would be the opposite of his words?

If Polly Thynne herself means what she says about the need for a more practical and prevention-based crime policy, she should back the Liberal Democrats, who have consistently opposed mandatory sentences. Indeed, it was entirely the Liberal Democrats' insistence that Michael Howard was forced to accept the crucial amendment to the Bill last week. Labour were prepared to let the Bill go through without it.

ALAN BEITH, MP
Liberal Democrat Home Affairs Spokesman
House of Commons
London SW1

Sir: I was astonished to read your report (24 March) that the Labour Party is supposed to have a plan for a programme of hospital closures should we be elected on 1 May. We have no such plans.

Indeed, specifically in relation to London, we have always said that we will put a moratorium on further hospital closures whilst we have a year-long independent review of the overall hospital needs of the capital city.

We have also recently outlined our proposals to insist in future – where a closure of a hospital or facility is suggested – that a public local hearing should be held, akin to a public inquiry, to give the local community the opportunity to cross-examine those putting forward any such proposal.

We have of course said that in government we will want to look at streamlining bureaucracy hierarchies in hospital trusts in order to release money that can be spent on patient care.

This does not however entail the closures of sites and facilities. Your reporter appears to have confused the two issues.

CHRIS SMITH MP
Shadow Secretary of State for Health
House of Commons
London SW1

■ The Editor writes: The Independent stands by its report.

Sir: Paddy Ashdown must be included in the election TV debate.

Excluding Greater London, in the area south of Hereford/Northampton/Lincolnshire, the Liberal Democrats were placed second to the Conservatives in the 1992 election. They polled half a million more votes than Labour, and were placed first or second in

the poll in 112 constituencies, compared to 72 for Labour.

Tony Blair is an irrelevancy in my constituency of Bournemouth East as well as in 150 other seats, but the Liberal Democrats can give their electorates a real alternative to the Conservatives.

On 1 May we will all cast just one vote for an MP, none for a prime minister. Comparison with American presidential elections is wrong. Margaret Thatcher was Prime Minister in 1987, but the Conservative MPs replaced her in 1990 without any reference to voters.

RAN SAUNDERS
Bournemouth,
Dorset

Sir: If the Tories wish to restrict the role in the planned televised debates of the Liberal Democrats, who are third in the polls, are they willing to accept that in Scotland, the debate should be between Labour and the Scottish National Party, first and second respectively, with the Tories as onlookers?

WILLIAM IVORY
Edinburgh

Sir: What a happy land Powys must be ("Union history belies Blair fairy tale", Letters, 24 March). Presumably they did not suffer the poll tax and the ensuing unrest, negative equity has not reared its ugly head, unemployment has not exceeded 4 million and graduates can obtain jobs commensurate with their qualifications.

STEPHEN TOWLER
Leeds

'Crash' and the disabled

Sir: Thomas Sutcliffe (Tabloid, 20 March) makes assertions about the British Board of Film Classification's screening of *Crash* for the disabled that are factually incorrect and rooted in a patronising attitude towards us, the disabled.

As the disabled co-ordinator of the screening for the disabled, I not only instigated the idea of the screening – "the disabled" went to the BBFC, not vice versa – but was responsible for which disabled people attended the screening. On that basis alone it is unfair to accuse James Ferman of an act of tactical protection, as I am in no way connected to the BBFC.

The reason the BBFC accepted my offer of critical advice on the disability imagery in *Crash* was that the disability imagery in it was given as the number one reason by Westminster City Council when they banned it – to ask us as experts for an opinion was logical (and brave).

Sutcliffe is also wrong to assert that the disabled audience was "presumably a cross section of society" and that they were "unoffended". We were far from an average cross-section of society – if anything, we were a little too like Sutcliffe himself (white middle-class liberals). The audience was chosen with regard to their specialist knowledge about

disability, film and media processes: a combination of film critics, theorists, film-makers and performers, and experienced journalists. Equally, we had degrees and/or media-relevant postgraduate qualifications.

On the issue of being "unoffended", I think it is safe to say that most of the audience were "offended" to some degree: but isn't that the point of the film? Of the group in attendance only one person thought the film was of any artistic merit (me).

PAUL ANTHONY DARKE
Wolverhampton

Lincoln hits back

Sir: As current undergraduate members of Lincoln College, Oxford, we would like to disabuse Glenda Cooper ("The lusty ways of St Hilda", 19 March) of her anachronistic impression of what life at a "nice, normal, mixed college" is like.

Lincolinities do not spend all their time in the bar, disavow all knowledge of "knot theory" and have as little acne as their St Hilda's peers. We club harder, write more books, and get more doctorates – as five minutes' study of the Norrington Table will demonstrate.

There are many good reasons why St. Hilda's should remain single-sex, but the fuzzy nostalgia with which Ms Cooper approaches the issue can do nothing for the college's cause.

HATTY KIDNER
(Junior Common Room President)
SIMON BLAKE
Lincoln College, Oxford
PS – But we do agree that Balliol is boring.

Babies on trains: Branson's pledge

Sir: Stephen Gray (letter, 21 March) challenged me to be the first rail magnate to introduce baby-friendly carriages on our trains – an area where children had somewhere to play, be fed, changed etc. on long journeys.

I'm more than happy to take him up on his challenge. As our new fleet of tilting trains is introduced we'll make sure at least one cabin is devoted to "kids' class".

As a matter of interest, we attempted to introduce something similar for older children on Virgin Atlantic some 10 years ago but the Civil Aviation Authority felt (perhaps correctly) that for safety reasons it was better to keep the kids with their parents.

RICHARD BRANSON
Virgin Management Ltd
London W1

PS – I also 100 per cent agree with the letters you have published about breast-feeding. If someone is sad enough to be offended by someone breast-feeding it is they who should go to the other end of the train. Should they refuse they should perhaps learn the art of hitch-hiking.

Sir: Breast-feeding is an absolutely natural act (letters, 19, 20, 21, 22 March). So are defecating, urinating and copulating. In certain parts of the world, witnessing any or all of these normal functions might be neither extraordinary nor offensive but, for example, in the UK a man openly urinating in public would be liable to arrest.

According to custom there are some things best done in private. Equally, persons blessed with common sense will appreciate that this is not always possible. To time and place, however, might also be added manner: if discretion is at least attempted, it will normally allow each party to respect the other's situation.

JOHN COLLIER
Horton-in-Craven, North Yorkshire

MEPs must reveal all

Sir: The MEPs' register of interests is not voluntary. It never has been as Sarah Helm claims ("Pleasure palace for our MEPs", 19 March). Since July 1996, when it was tightened up, it has become tougher and more transparent than the House of Commons register.

Members must declare, "any support, whether financial or in terms of staff or material, additional to that provided by Parliament and granted to the Member in connection with his political activities by third parties, whose identity shall be disclosed. Members of Parliament shall refrain from accepting any other gift or benefit in the performance of their duties."

GLYN FORD MEP
(Greater Manchester East, Lab)
Brussels

Dap or tamp

Sir: Growing up in the west Monmouthshire valleys, I knew only "daps". Arriving as an 11-year-old new boy at an east Monmouthshire school, I was told to collect my "pumps". The schoolmaster misread my confusion for insubordination. He was furious – or, as Frank Harris-Jones (letter, 20 March) would understand, "tamping mad".

Professor RICHARD CARWARDINE
Sheffield

first person

Inside America's dying rooms

Award-winning novelist Joan Brady gives a personal account of her chronically ill husband's treatment in a "warehouse for the dying" Nobody would publish her story

How do you warn people when what you are warning them about is so terrible that they shut their ears rather than listen? Even though the risk is to themselves? Even though, if they are quick, they can still avoid it? The health-care scandal I stumbled across is like this.

I did not do my stumbling in some Third World backwater either. The atrocity I saw – I am afraid atrocity is the right word – I saw in the United States, the most technologically advanced nation on earth. And I can see the beginnings of it here in Britain.

The story starts as a personal one. I married a writer called Dexter Masters, who was 32 years older than I. He became ill in Devon, where we had lived for many years. His opening complaints to our local doctor were an odd dizziness and an enlarged prostate which, like so many men, he refused to do anything about. A scan in Plymouth showed some shrinkage of the brain: our GP explained as gently as he could that the dizziness would get worse.

"You'll stay for a while on a plateau," he said, "then there's a drop, from which you'll recover – a plateau again but not quite up to where you were before. Then another drop". With his hand he traced out a bumpy, downward path. "Like that," he said.

And so it was. Within two years I had a profoundly disabled man to care for. I took him to the United States for treatment because he had Medicare coverage – the US government insurance scheme for the elderly.

I assumed, as so many lay people do, that bettering his health was only a matter of getting him the right kind of attention. I was wrong. He was dying, and there was little anybody could do. But the US hospital was happy to take him in. Then, when he had been there less than a week – the scheduled prostate surgery had not yet taken place – they told me his time was nearly up. He was going to have to leave.

"Where's he supposed to go?" I asked.

"To a nursing home," they said.

A nursing home in Britain is not quite the same as its US

counterpart – not yet anyway. The US institution performs two functions. One is familiar: overseeing elderly patients who need a protected environment. The second function is largely unknown here: tending an enormous and growing population of what are called "total care patients". I was not sure what "total care" meant, except that it was bad and Dexter was approaching it.

What you read below is a gentle version of what I saw. The real situation is too shocking for publication in any form, fiction or non-fiction. I know, I wrote a fully researched, non-fiction study of the subject. Nobody would publish it, not as I wrote it, not with a view to a rewrite. Not in any form whatever, not in the US – and not here either.

No American publisher will risk even *Death Comes for Peter Pan*, my novel in which the scandal plays the relatively minor role of thriller plot in a love story.

What I saw and wrote about are warehouses for the dying. This reality constitutes a fate so ferocious that one California state inspector, seeing these places for the first time – he was

a survivor of the Auschwitz death camp 50 years ago – cried out: "This is America! You can't do this here".

It is the smell that hits you first. The urine is easy to identify; patients are all doubly incontinent. The other component of the smell is catabolism, the decay of living tissue. Patients, without exception, have massive bedsores. They are literally rotting alive.

To look at, they are as alike as clones, room after room of them. Their necks are arched back. Their faces are grey. Their mouths are open. They have tubes in their noses that feed directly into their stomachs. Their arms and legs are retracted into a foetal position. You cannot even tell their sex. There is no sound, no movement from any of them.

The US government pays for this treatment, advertising it in official literature as "hospice-type care". The more pragmatic nursing-home trade calls such wards "produce departments". This is a *double entendre*. A produce department is where a supermarket keeps its vegetables. Also, these patients "produce" something: money.

Their beds cost no more than a bed in a motel, a tenth the price of a hospital bed. Government savings are formidable. Hospital corporations do even better. In the past 10 years, literally millions of Americans have died under these conditions; nursing homes make huge profits.

Staff costs are minimal. Workers are predominantly untrained and from the bottom rungs of the labour pool; four-fifths of the

work falls to them, including the insertion of catheters and nasogastric tubes. Wages are very low. Understaffing is the rule. No workers are banned, no matter what their records.

Inflating costs by as much as 2000 per cent is routine. The government pays separately for treating the large, multiple bedsores as well as for catheters, tubing and all medicines.

Falsification of records is routine. Misappropriation of pensions is routine. Theft of personal items is routine. So is theft of patients' medication, especially morphine, later to be sold on the street. There is even a street price for the keys to drug-stocked nursing-home medicine cabinets.

A shrewd operator can make a profit of up to 85 per cent. Why does nobody complain?

The patients cannot. They are unable to shift in their beds, much less speak out. Their families are afraid of them as well as of what is happening to them. People joke about the American fear of death, but it is real. When my husband lay dying, a nurse said to me, "I can't get most families to the door of a dying person's room – much less to the bedside". Families do not complain.

Doctors hate nursing homes. They write prescriptions and sign death certificates sitting in their cars outside. Laws in states vary, but in Illinois, for example, a doctor can write a death certificate six months after his last visit to a patient. Patients rarely live more than six weeks in these wards.

The state inspectorate, the watchdog that citizens should be

able to rely on, is as understaffed, ill-paid and corrupt as the nursing homes themselves. Inspections are signalled in advance. If a "deficiency" comes to light, an operator need only show compliance the next time around.

Cases of abuse rarely come to court. Suppose a nursing home were closed down: the local hospital would have to take on an entire ward of patients – at 10 times the cost to the government.

Here in Britain, it is still cheaper to let the dying die in peace. But there are signs of a change. The American administrative techniques of Prospective Payment and Diagnosis Related Groups – the techniques that lead to dying rooms – already have a foothold in British medical care.

Let me explain the two terms. Prospective payment is rationing by means of an elaborate system of fixed prices, paid in advance of treatment rather than after it. It is an estimate of costs, such as a builder might make for repairs. If the work costs more, the builder has to cover it; if less, the builder makes a profit. You can haggle with a builder. There is no room for haggling here.

Prices are fixed nationwide, precisely as Russian prices were fixed in the Soviet days of central planning. Prospective payment divides all human illness into some 470 categories; these are the Diagnosis Related Groups. Every human ailment and every known surgical procedure fits into one group or another, but no patient can be treated under more than one.

Each group carries a government-set price tag worked out by

computer programmers according to cost of cure.

"Remarkable," one doctor said to me, "especially as nobody can cure most of these conditions".

US patients who use up whatever hospital days their ration buys then are by definition no longer "acute". Dexter's Prostatectomy with Complications (the complications, mad as it sounds, included his brain condition) gave him 5.8 days. No more. But such patients are often too ill to go home.

What happens to them? Hospitals evict them to nursing homes. Patients who need no more than the institution's overseeing functions tend to recover. But – and this is critical – they have to pay the costs themselves. The government pays only for the dying rooms.

Furthermore, the dying rooms are much more profitable for nursing homes; daily rates are higher, patients more compliant, regulations less stringent. Patients who simply cannot feed themselves often end up there. Once admitted, nobody goes home.

But let me return to the UK. Such aspects of the NHS as competitive bids for surgical operations are direct applications of the idea of prospective payment. Private medical insurers have used Diagnosis Related Groups to gauge some of their costs for years. So the ideas are officially at work.

Now for official sanction. On 12 August 1994, the UK announced guidelines that for the first time allow NHS hospitals

to evict patients to nursing homes. These evictions follow the same methods and ground rules as US evictions to dying rooms – the largely meaningless and easily manipulated distinction between "acute" and "non-acute" care.

And the fate of evicted British patients in the near future? This is where it gets really scary. For years, American hospital corporations have been buying into British hospitals and nursing homes.

My local doctor, the same man who treated Dexter here in Devon, told me that US companies owned five nursing homes locally. And whatever else such companies are, they are not charitable institutions.

Put these facts together with the endless NHS cuts and the acceleration towards private medicine and a profit motive, and what emerges is a *death* route to the US system.

Remember too that Britain is even less well regulated than the poorly regulated US: it is already a test ground for American researchers who want to experiment with patients in ways the US government will not allow. So who is to say there are obstacles to US corporations providing the British government with the same cheap – and wonderfully profitable – "hospice-type care" they provide at home? All that is missing is that famous Yankee know-how. Myself, I would bet plans are well under way.

'Death Comes for Peter Pan' (Secker and Warburg, £15.99) is among the nominations for this year's Orange Fiction Prize



"Room after room of people literally rotting alive". Joan Brady (left) discovered the truth about America's death industry when her husband, Dexter Masters (above) fell terminally ill

Amazing.

Some health plans don't fully cover surgeons' fees.



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The revenge of the Easter cormorants

Easter is nearly here – and that means that a lot of you city-dwellers will feel a strange compulsion to get out of town for a few days and come down to where we country-dwellers have been getting the place ready for you. So, just in case you have forgotten all the spring sights, here's a check-list of what nature will have to offer you this Eastertide!

Cormorants
Until very recently it was unheard of for cormorants to be seen inland, but over the last year or two these big, black, slow-flapping birds have been spotted flapping slowly, and bigly, and blackly, down our inland valleys, darkening the sun and bringing terror to small children whose mothers have said, "If you don't do your homework instead of playing Sega games, and help around the house, and give up all those clandestine drugs, the cormorant will come and get you". Apparently they are cormorants from Hong Kong harbour who have been told to get out by the end of 1997 and most of them have come here on false passports.

Comet-watchers
News travels slowly down in

the country – some of us have never heard of the Spice Girls and the rest wish we hadn't – but it has slowly dawned on us that there is something called a comet in the sky, which we would do well to go out and look at. This is for two reasons: one, it won't be coming back again in our lifetime and, two, apparently they can't see it very well in London. There's always a great temptation to take advantage of things they can't do in London, so we've all been standing around after sunset, saying things like: "Look, that's the comet, the one they can't see in London". "No, it's not, it's the Longs security lights, let's ask them to turn it off", and "Well, they can't see the Longs lights in London either". So if you come across knots of standers-by in the dark lanes this Easter, don't run them over: they're only country people who have left it rather late and still haven't had a look at the comet.

Riff-raff
Right now the hedgerows are full of small immigrant birds hiding from the authorities. These birds, which are small, brown, featureless and totally invisible, are collectively



Miles Kington

known as riff-raff, and can be recognised by their distinctive call of "Riff raff! Riff raff!" If you see one, do not have a go.

Cormorants (pt 2)
It has been brought to my attention since the start of this article that the cormorants which are increasingly turning up inland are not refugees from Hong Kong but from our own shorelines. It appears that fishermen see cormorants as rivals and have started to drive them off by shooting them (quite illegally). The cormorants have retaliated by coming inland in numbers, where no doubt they are

arming themselves and training in the hills for a revenge campaign against the fishermen.

Second-hand nests
It is already nearing the end of the nesting, hatching and fledging season down here, which means two things: one, a lot of baby birds flying very carelessly and dangerously on the wrong side of the sky, and two, a lot of empty nests suddenly coming on the market. About Easter time the price of nests goes shooting down through the floor and most birds prefer just to leave their nests empty rather than face the hassle of selling or letting them. Now is the time for the wily Londoner to come down with his pet bird looking for a second home in the country and pick something up dirt cheap or even free.

Election posters
At the moment the countryside is election-free, but very soon gaily coloured leaflets and placards will be making our country roads a site for sore eyes. Already the smaller rural towns are that enough, is enough and other witty city comments, and already wise country

folk are saying, "If they want to impress us with their management of the economy, why are they wasting all this money on mucking up the place with these bloody ads?" Watch out for the different colours of the posters in the hedgerow and their different slogans – blue, with "If it ain't broke, we'll make it bankrupt for you", orange with "Not just a tactical vote" and red with "Your nearest Labour MP is only 100 miles away". Down here they are asking the meaningful question: "Why does Mr Blair's face only occur on Telly posters, and Mr Major's only on Labour?" but they aren't getting any answers.

Cormorants (pt 3)
The revenge campaign may have started already (see Cormorants pt 2). A friend of mine says he passed an angler on the canal bank the other day, hunched up and grumpy as all anglers are, but when he passed he realised it was not an ordinary fisherman – it was a cormorant sitting on a folding stool with a small rod, puffing at a Benson and Hedges, and when he stopped, the cormorant turned and winked at him.

The Tory message gets a little help from Super Mac

There was a glimpse yesterday of a different, older, grander, Conservative. The bright young suits at Central Office admit freely to having edited their predecessors of a generation ago with a souped-up version of the slogan which helped Harold Macmillan to a landslide in 1959. "Britain is booming. Don't let Labour blow it," is a conscious translation into Saatchi-ese of "Life's better under the Conservatives. Don't let Labour ruin it."

The 1997 slogan is not risk-free. It uses a dangerous word; research shows that some voters, invited to free associate about the word "boom" in the manner of TV game shows, automatically come up with "bust". It requires the same electors who were told that the recession was caused by world factors beyond the control of the British government to believe that the recovery is entirely of that same government's making. It starkly exposes the fact that the last argument isn't what it was in 1992: the Tories cannot promise to reduce the overall tax burden in the lifetime of the next Parliament any more than Labour can. And it gambles against the belief held by some in the Labour Party, that electors are more inclined to opt for a party associated with redistribution at times of economic recovery than at times of depression.

The theme, unveiled at yesterday's Conservative press conference, nevertheless reflects a final and necessary effort by two of the party's biggest performers, Kenneth Clarke and Michael Heseltine, to turn real economic optimism into votes. The Tory campaign lost a week thanks to well-founded allegations of bribery (let's use the word: it's plain and less overworked than "sleaze") against several Tory MPs, and the catastrophic part played by the election timing in suppressing the official report which will document it. The antics of John Redwood, the one candidate for the post-Major party leadership who is free from the burdens of Cabinet responsibility, and who this week publishes a book, in defiance of his own Chief Whip, denouncing the single currency, shows how the party's divisions on Europe could yet lose it another.

It may be the Tories' own fault, but Mr Major is having difficulty getting his message — especially his economic message — across. This strange circumstance has two consequences. One is to dispel any doubts about the indispensability of Ken Clarke to the Tory campaign if they are to have the slightest chance of winning.

He is at once the most written-off leadership candidate in his own party and the most feared by the Opposition. Those who revile him for being prepared to contemplate forfeiting the politician's right to fix interest rates and second-guess the advice of central bankers scarcely pause to give him credit for his success in exercising just that right. He was at his



Donald Macintyre

The trouble for the Tories is that in most people's minds the word that follows Boom is Bust.

It all went wrong (for Lord Lundy, that is). The stocks were sold, the press was squared, the middle classes quite prepared. And in those circumstances every chance of reaching, unfiltered, an audience of 15 million suddenly looks irresistible, almost whatever the risks. This shift is quite recent. Central Office were initially much keener than some of Mr Major's immediate advisers on the idea. Even 10 days ago, when the Prime Minister was first said to be ready for a debate, it wasn't clear how serious he was. Was the party merely preparing to blame the Liberal Democrats' objections to their preferred format (throwing Paddy Ashdown the sop of an add-on interview rather than making him "interactive" in a Blair/Major debate) for any collapse in the negotiations? Hints yesterday from the Tories' Michael Dobs suggest that compromise with the Lib Dems on this point might be possible.

It can still easily go wrong. Labour is angry with the broadcasters, especially the BBC, for proposing a format which it claims was "tailor made" for the Tories. Labour officials told their eyes with assumed boredom if you raise the subject. There are at the very least shades of opinion within the party's hierarchy over whether the debate would serve any purpose given the party's dominant lead. The party is also agitating for a participating audience. But since Blair is officially said to want it, and since Labour called for it in the first place, there are risks in being anything other than accommodating. It's an innovation whose time has come. The debate has become an issue — and the party seen to stall it will pay a price.

Did Arafat give a green light to terror?

by Patrick Cockburn

The origins of few crises have been so clear. When Benjamin Netanyahu, the Israeli prime minister, said he would build a Jewish settlement at Har Homa in Jerusalem, his critics — and many of his friends — told him that this might mean the end of the peace process. At the heart of the Oslo accords of 1993 was an exchange: Israel would get peace, in return for the Palestinians getting land. The occupation of most of the West Bank and Gaza, captured by Israel in 1967, would end.

Last week Mr Netanyahu made clear that he had different ideas. He said that the Palestinians would get 45-50 per cent of the West Bank, not the 90 per cent that they had expected. The future of Israeli settlements and Jerusalem had been left to the last stage of the peace talks, because the issues were so divisive. But here was Mr Netanyahu claiming that he had the right unilaterally to establish a Jewish settlement at Har Homa, on land captured in the Six Day War, without consulting Palestinians or anybody else.

Since the yellow Israeli bulldozers started working at Har Homa a week ago there has been an almost military exactness in the way violence between Israel and the Palestinians has escalated every day. At first there were peaceful demonstrations by Palestinians on neighbouring hilltops. Then there was a small riot in Bethlehem, with boys throwing stones and Israelis firing tear gas grenades. On Friday there was a much more vicious riot in Hebron and, at around lunch time, a man walked into the Apropo cafe in Tel Aviv and, in the first suicide attack in a year, blew himself up, killing three women and wounding 61 people.

The government holds Yasser Arafat, the Palestinian leader, responsible. General Amnon Lipkin-Shahak, the army chief of staff, directly accused him of covertly supporting the bombing and the riots. He said: "The terrorist organisations still have a green light from Arafat to carry out attacks. Palestinian security services haven't been co-operating with Israeli security." He said he expected more attacks.

The Palestinian leaders immediately said that the Israelis were confusing cause and effect. Har Homa had created the climate of violence in which the suicide bomber had returned. They said that their



The Palestinians say their security services are not a client militia and they will not restrain Hamas without a quid pro quo

security services were not a client militia, at Israel's beck and call. The message was that Mr Arafat is not going to restrain Hamas or other militant Islamic organisations unless there is a quid pro quo. This probably means that Mr Arafat wants from Mr Netanyahu what he would have got if Labour had won the last election: almost all the West Bank, and a compromise on Jerusalem.

In one sense Mr Netanyahu and his military commanders are right. On his return from the US two weeks ago Mr

Arafat had a meeting with the leaders of Hamas in Gaza. They asked for the release of their members who were in jail (at the height of the clampdown on Hamas last year Mr Arafat had 1,200 of its members in prison). Infuriated by Har Homa, he agreed. The Palestinian leader must have known what the likely consequences of this were going to be.

On the other hand, he did not have much choice. Mr Arafat's ability to survive political disasters is due to the fact that he never moves far from

the mainstream of Palestinian public opinion. Over the last year there were no suicide attacks for two reasons: Hamas was savagely repressed by Mr Arafat's security men, and ordinary Palestinians were against more bombs. After Har Homa this changed. Danny Rubenstein, an acute observer of Palestinian politics for the daily *Haaretz*, says: "It wasn't Arafat who gave Hamas the green light, but the broad public in the West Bank and Gaza, which urged Hamas to take action." This means that the Palestinian leader's position is

stronger than it looks. If anything goes wrong — and Gaza and the West Bank are currently sealed off by Israel, crippling their economies — then it will be because of policies that most Palestinians supported. Mr Arafat's position is also sustained by a certain balance of power, though deeply unstable, between Israel and the Palestinians. Israel clearly has military superiority, but after the start of the Intifada in 1987 it had difficulty in holding on to the occupied territories in the face of Palestinian resistance. Israeli desire to end this confrontation produced the Oslo accords.

Once its troops had left most of Gaza and the main population centres of the West Bank in 1994-95, Israel had no choice but to rely on Mr Arafat for its security. The only alternative would be to reinstate the Palestinian enclaves. But this would mean a much wider war, with heavy Israeli casualties. There is no consensus for such a prolonged confrontation in Israel. Mr Netanyahu did not win the election last year by promising to tear up Oslo. Instead his winning slogan was "peace with security" and a pledge to voters that this could be achieved without substantial territorial concessions to the Palestinians.

Many of Mr Netanyahu's problems stem from his attempt to deliver on his electoral promises. He says that he will not accept a Palestinian state, but envisages something more on the lines of Andorra (this ignores the fact that Mr Arafat already has 40,000 men under arms). This Palestinian state of Andorra will be a peculiar place, capable of stopping everybody from Hamas suicide bombers to rioting schoolboys, but otherwise happy to exist within the boundaries of impoverished cantons, bisected by Israeli settlements and roads.

The previous Israeli government realised that they could not have their cake and eat it. Mr Arafat was never going to be their tame policeman. Nor would he have lived very long if he had tried. Optimists in Jerusalem comfort themselves with the thought that Mr Netanyahu has no alternative to Oslo. They are probably right, but there is little sign that he has stopped the peace process at a fatal half-way house so neither Israel nor the Palestinians fully control the West Bank. And as friction between the two increases the way has inevitably opened for the return of the suicide bomber.

Shifting political loyalty is good news for the press

The end of party allegiances will leave Fleet Street more powerful

A significant aspect of what has been this far an enthralling election campaign has been the change in the attitude of the national press. First, there was the switch by *The Sun* from backing the Tories to supporting Labour. Then at the weekend, Lord Rothermere, chairman of the publishers of the *Daily Mail*, *Mail on Sunday* and *Evening Standard*, said he didn't think "we will actually endorse anybody" although the *Evening Standard* might favour Labour. And without announcement there has been an important shift in the position of *The Express*: instead of being obsequiously pro-Tory, the newspaper is covering the election in a manner which, when not even-handed, tends to favour Mr Blair.

In its first day's coverage, *The Express* had the Prime Minister appearing on his soapbox "held together with tape" while he "struggled" to make himself heard. Tony Blair, on the other hand went "straight" on to the campaign trail, visiting for a seat Labour must win, calling for a "new" government and pledging an age of national "renewal". He dubbed himself the "eternal warrior" against complacency. From Labour's point of view these descriptions in *The Express* are unexpectedly good — straight, new, renewal, warrior.

So long as Labour was the political party of the trades unions, it was perfectly rational for newspaper owners to back the Conservatives. For until the



Andreas Whittam Smith

late Eighties the printing unions maintained a stranglehold over newspaper production. In essence, Fleet Street was an unacknowledged workers' co-operative in which the strongest unions took the lion's share of gross profits. Newspapers that backed Labour, such as the owners of *The Mirror* or *The Guardian*, satisfied their readers but in so doing they could secure only a pitiful prosperity for themselves.

What began as an understandable preference for the Conservative Party in the face of intrinsically printing unions led national newspapers to become extensions of the parties' election campaigns rather than observers of them. And this is still going on, though to a much lesser extent. *The Daily Telegraph*, for instance, is congenitally unable to come to terms with Tory sleaze. The notion makes the paper slightly mad. In the newspaper's universe, sleaze

is what foreigners engage in, or Labour local authorities or perhaps even the City of London, but not Tory MPs sitting for constituencies with big Conservative majorities and thousands of *Telegraph* readers.

Thus on Thursday it produced a headline that will surely stand as the silliest of the election campaign: "Sleaze inquiry entangled in a web of detail". In the same way that the mystifying utterances of schizophrenics can be decoded, so can this. By "sleaze inquiry" is meant Tory MPs and "detail" was a substitute for a word with a similar sound, "deceit". What *The Daily Telegraph* should have written, but could not bring itself to do, was: "Tory MPs entangled in a web of deceit". The next day came a further indication that the editorial mind had become a little disturbed. The headline of its leader commenting on Sir Gordon Downey's report was: "Blair's cover-up".

The Mirror has had a different problem. As the only mass circulation newspaper supporting Labour consistently since *The Sun* was sold to Rupert Murdoch, it has always unashamedly and openly battled for the Labour Party during elections. That is what its readers have come to expect and its political stance has differentiated it from *The Sun*, whose move looks opportunistic rather than profound. *The Daily Mail's* news coverage remains intermittently hostile to Labour and it will be a minor

miracle if *The Express* really has thrown off its Beaverbrook traditions. We shall see. But if the Tory hegemony over the national press has been fractured, *The Mirror* could begin to distance itself from Labour as its rival has from the Conservative Party.

None of this, however, is of any help to the Liberal Democrats; during the first week of the campaign, newspaper coverage of their doings was perfunctory. National newspapers are never going to be "fair" in the way in which the BBC is compelled to be. If newspapers give up doing propaganda, they will not substitute a tidy, measured notion of balance; they will operate where the significant news appears to be.

In any case, newspapers are more potent than broadcast news during elections. Television and radio coverage, because it is simultaneously compressed and balanced, often loses all meaning. We learn, within a time slot measured in seconds, that party A has proposed something and that parties B and C, separately, think it is a mistake. Then the next item reverses the roles. The form of election news is "statement/rebuttal/rebuttal". Nothing is conveyed by this.

Newspapers do not and will not behave like that. As they leave their old party loyalties behind, and throw their weight around more freely, they will find that they become more powerful rather than less.

Who's the sleaziest one of all?

by William Hartston

Sir Gordon Downey may still be sifting through all the sleaze-soiled evidence in his trays, but Collins Dictionaries have already completed their own analysis, and it shows that sleaze — originally cheap cloth from Silesia — has been bought up wholesale by the world of politics. Thanks to the 323 million words that have built up since 1988 to form the Collins Bank of English, we can now list the 25 people, institutions and concepts that have been most frequently in contact with the growing tide of sleaze. And the only entries with no political affiliations are football, sex and the Queen.

The items in the databank include both formal and informal texts, broadcast, published or spoken predominantly in the last two or three years. The words in the table have appeared most frequently either immediately next to the word "sleaze" or separated from it only by an insignificant word such as "the" or "and". The word most frequently linked to "sleaze" is "allegations". In view of the libel laws, this is hardly surprising, but it is worth noting that if "Tories" (10th place) had been added to "Tory" (in second), they would almost certainly have overtaken it — though it would have been "Tory" plus "Tories", compared with "allegations" plus "accusations". "Downey" himself must now be making a late run from behind, but has failed to make the top 25 and clearly has a

good deal of work to do if he is to catch "Nolan" in third place. While the Prime Minister can feel happy to have distanced himself sufficiently from the leaders, he still squeezes into the list in last place, well below greed, corruption, sex and incompetence.

The Opposition, however, can hardly be complacent: "Labour" nestles just below "political" and "party" in eighth place. Most interestingly, "sleaze" itself is in 15th place. Even sleaze is now tainted with sleaze. Sleaze, sleaze and more sleaze... And how many credits does that score in the sleaze proximity bank?

The 25 sleaziest words:

1. Allegations
2. Tories
3. Nolan
4. Scandal
5. Government
6. Political
7. Party
8. Labour
9. Inquiry
10. Tories
11. Factor
12. Row
13. Greed
14. Corruption
15. Sleaze
16. Scandals
17. Public
18. Incompetence
19. Accusations
20. Sex
21. Queen
22. Politics
23. Commons
24. Football
25. Major



Albanian children face food crisis

Confusion and chaos are mounting in Albania.

According to Albanian government reports, food stocks are down to a tenth of normal levels. Those least able to help themselves will, as ever, be most at risk. Children's hospitals and orphanages do not know where the next food supplies will come from.

UK charity Children's Aid Direct (formerly Feed the Children) has considerable experience of working in Albania and has a team on the ground. As soon as it is safe to deliver food and other urgently needed aid, this charity will make those deliveries. And they are appealing today for your help to do it.

A donation of £30 could buy enough high-protein food for 136 children. As the crisis deepens, Children's Aid Direct will be doing what they can — will you?

LET ME HELP BRING HOPE TO ALBANIA

Here is my gift of:

£30 ☐ £60 ☐ £90 ☐ £250 ☐ £ (other)

*A gift of £250 or more is worth almost an extra third to us under Gift Aid

Please make your cheque payable to Children's Aid Direct OR

Please debit £ from my ☐ Visa ☐ MasterCard ☐ Switch

CARD NUMBER

Last three digits of Switch card no. Switch issue no.

EXPIRY DATE SIGNATURE

NAME (CAPS) MR/MRS/MS

ADDRESS

POSTCODE

TELEPHONE

OR please phone our donation line

0990 600 610

Please send to: Children's Aid Direct
Dept No. 511, FREEPOST,
Reading RG1 1BR.

Children's Aid Direct
Registered Charity No. 803296



COMMENT

'Ken Clarke insists this is a wonder-boom that will not be followed by bust later - he has found a miracle cure for the ups and downs of the economic cycle that has somehow escaped the notice of Mr Greenspan'

Booming Britain could do with a stitch in time

Economy A is growing faster than its sustainable trend, unemployment is at its lowest for years and pay inflation is creeping up. The financial markets have been prepared to expect a small increase in interest rates that will allow the recovery to continue without being blown off course by rising inflation. The authorities are steering a delicate course between boom and bust, so far very successfully.

Economy B is also growing at a pace above trend, has rapidly falling unemployment and rising wage inflation. However, a rise in interest rates would be greeted with utter astonishment. For economy A is, of course, the US, the right side of the presidential elections, and economy B is the UK in the heat of the longest election campaign this century. In the US the Fed Chairman Alan Greenspan has signalled the likelihood of a rise in Federal Funds rates after today's Open Market Committee meeting.

On this side of the Atlantic, the Government has given up all pretence of modest economic recovery. "Britain is Booming," announces the latest manifesto from Conservative Central Office. Ken Clarke insists that this is a wonder-boom that will not be followed by bust later - he has found a miracle cure for the ups and downs of the economic cycle that has somehow escaped the notice of Mr Greenspan.

The British economy almost certainly is in better shape than for a long time. Yesterday's balance of payments figures were

much improved compared with the same stage of the last economic cycle, in the late 1980s. The pay-off for these genuine improvements is that interest rates should not need to rise as much as they would have in the past. But the fact that it ought to be easier to keep the economy on a steady course does not mean the Chancellor can get away without touching the brakes at all. Today's expected interest rate move by the Fed, a classic "stitch-in-time" policy of the sort the Bank of England would love to follow, will highlight the risks the Government is taking with the British economy.

Wallace digs in for long haul at CWC

In his former life Graham Wallace, the new chief exec at Cable & Wireless Communications, used to run Granada's motorway service stations. He therefore knows a thing or two about squeezing the last drop out of a captive market. Now that Granada is facing competition again, having been forced to sell off Wellcome Break, it is giving away Burger King Whopper Meals for 1p but that's life in the fast-food lane.

The challenge facing Mr Wallace at CWC, the great white hope of the cable telephony industry, is altogether different. It does not possess a monopoly or anything like it. When its cable network is built out it will still only pass a quarter of the homes

in the country having spent a cool £6.3bn. Even when it corners a market the cable industry does not have much idea of how to exploit it. The cable companies that have joined forces with Mercury in C&WC have spent billions digging up the streets and yet have only 580,000 customers out of the 3 million passed to show for it.

So far the rationale for the merger looks to lie largely in the financial engineering. The accumulated losses of the cable firms will knock about £100m off the parent company's tax bill, CWC gets much better borrowing rates on the £3.3bn it still needs to build out the network and condensing four head offices and workforces into one should shave another £100m or so off its cost base.

But to justify the £4bn-£7bn price tag being put on the business by analysts will require something far more. On its own Mercury was too big to be nimble but too small to compete on an equal footing with BT. The cable companies were good at digging holes but ran out of ideas when it came to signing up customers. If Mr Wallace can engineer even a tenth of the cultural change needed at CWC he will be worth every penny of his £100,000 signing-on fee.

He has made a start by linking remuneration to levels of customer service and bringing on board a marketing director who learnt her craft at Richard Branson's elbow. But the so-called synergies to be had from meshing the cable companies' customer base together with Mercury's technological

wizardry are almost certainly overblown while rebranding the business under the Cable & Wireless logo is a step in the dark. It may have more consumer appeal than Nynex CableComms but it is a brand which remains largely unknown at home. On their own the constituent parts of CWC may have been facing a losing battle against BT but Mr Wallace has his work cut out to make the whole demonstrably bigger.

Krupp comes a spectacular cropper

Having parked its tanks on Thyssen's lawn with the engines running, Krupp last night embarked on the corporate equivalent of the retreat from Moscow. The withdrawal of Krupp's hostile bid for its fellow steelmaker must go down as one of the shortest and most disastrous campaigns in annals of Germany's corporate history.

If the intention of the Krupp chairman Gerhard Cromme was to bomb Thyssen to the negotiating table, then the tactics have misfired spectacularly. The outcome of the continuing talks between the two sides could well be Thyssen's takeover of Krupp.

Apart from the injury to Mr Cromme's reputation as Germany's takeover king (largely built on the fact that he is its only exponent), the collateral damage will be unpleasant. First, there is the standing of Krupp. By tabling the bid it exposed the

weakness of its own financial position. It quickly became apparent that the mountain of debt necessary to fund the deal would have stretched Krupp's balance sheet to breaking point without a large share issue which would in turn have diluted the family trusts that control 80 per cent of the company.

Second, the position of Krupp's advisers, Deutsche Bank, Dresdner Bank and Goldman Sachs looks tricky. By backing the bid in the first place they took a huge amount of flak, not just from protesting steelworkers but from the German body corporate to whom such tactics are anathema. By dropping the bid so quickly, they have been made to look inept and they will probably be made to pay for that ineptness through the loss of future mandates.

The third loser is the German steel industry. Whatever consensus deal Krupp and Thyssen now come up with to rationalise their respective steel interests it will almost certainly not be enough to put the industry on an equal footing with its competitors elsewhere in Europe. With production costs a third higher than those of British Steel, Krupp and Thyssen have a long way to go to catch up.

The final casualty is the German economy itself. The consensual approach to industrial restructuring has been tried and found wanting. But who else will want to give the Anglo-Saxon approach a spin now that Krupp has come such a cropper?

£270,000 in perks for chief of new C&W group

Chris Godsmark
Business Correspondent

Graham Wallace, chief executive of Cable & Wireless's proposed new £5bn cable group, was given a £100,000 "golden hello" on joining the company and will receive a £170,000 bonus this year in addition to his basic salary, documents issued to shareholders disclosed yesterday.

The offer documents for Cable & Wireless Communications (CWC), also reveal that the complex process of

merging C&W's Mercury subsidiary with three cable operators will cost almost £35m in fees, mostly paid to City lawyers and advisers.

Mr Wallace was poached by CWC in February from his post as head of Granada's restaurants and motorway services business.

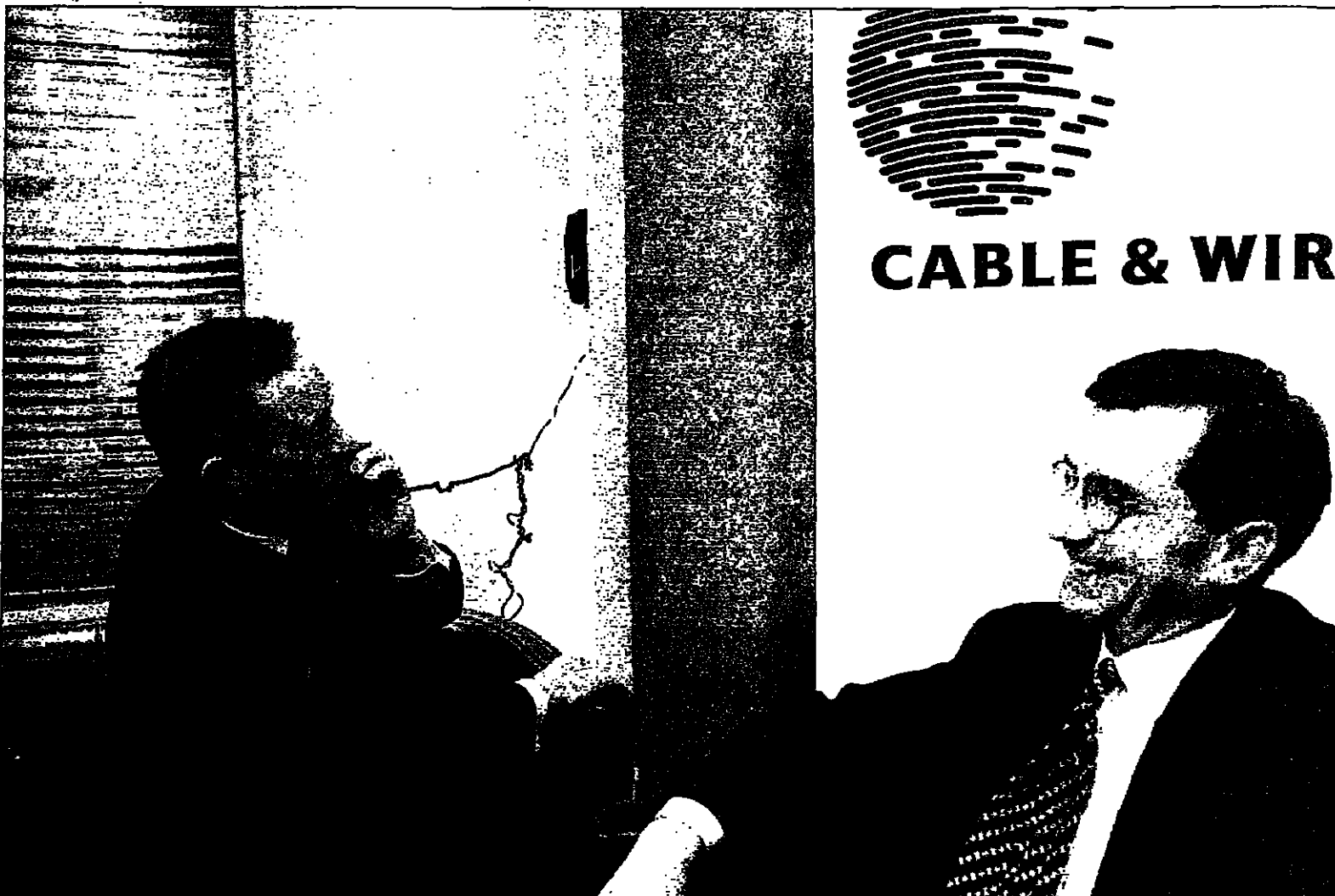
The golden hello and bonus come on top of his basic salary of £375,000, bringing his total pay this year at CWC to £645,000, double his £320,000 basic salary at Granada. He will also be entitled to a pension of two-thirds of his final salary.

The disclosures came as Dick Brown, chief executive of the C&W parent group, confirmed CWC was on the hunt to buy other cable companies, though he added no deals would be done until shares in the new venture were listed on the London and New York stock markets at the end of April. "The door is open," Mr Brown said.

His comments will raise speculation that CWC will fight TeleWest, the other leading cable group, to mop up the remaining independent middle-ranking cable operators such as General Cable.

How the fees add up

SEC filing	500,000
NYSE	138,800
London Stock Exchange	182,000
Panel	150,000
Dealers' management	17,500,000
Financial advisers	17,500,000
Information agent/US	29,000
exchange agent/UK	29,000
Legal	38,453,000
Accounting	8,433,000
Printing	1,100,000
Microfilm	804,000
Total	54,873,800



All smiles: Graham Wallace, chief executive (right), yesterday with Nicholas Mearing Smith, finance director

Photograph: Kalpesh Lathigra

CWC also announced plans to invest £290m over the next two years on launching a digital pay-television service, of which £180m will go on providing set-top boxes which can decode programme signals. A further £115m is to be spent on extending the cable network to homes.

So far 3 million households have been passed by CWC cables, with commitments to

extend this to 6 million by 2001. The new group will invest a further £430m in connecting business customers to the Mercury long-distance phone network.

Mr Brown promised that CWC would overcome the marketing weaknesses that have dogged many cable operators.

"Cable & Wireless Communications is a powerful new

force. We will be customer-led, we will be marketing-driven."

So far only 9 per cent of potential customers have signed up for the television service, and 22 per cent for the telephony offering. The biggest change will come this autumn, when the four brands, Mercury, Bell Cablemedia, Nynex CableComms and Videotron, are replaced by the Cable & Wireless name.

There was no further news on job cuts, though Mr Brown made clear that merging four companies meant substantial and "aggressive" cost savings. The seven customer service centres are likely to drop to between two and four, while some of the four network operations centres will also close. It is thought this will mean at least 1,000 job cuts out of the combined workforce of 12,500.

CWC will also save £100m over two years by offsetting Mercury's tax bill with the accumulated losses of the cable companies.

CWC revealed pro forma pre-tax profits of £93m in the 9 months to the end of December on turnover of £1.5bn, up from £46m in the year to the end of March. Analysts have valued the business at £4bn-£5.5bn.

BT moves to tighten grip on Cellnet

British Telecom moved swiftly yesterday to strengthen its grip over Cellnet, the UK's second largest mobile phone operator in which it has a 60 per cent stake, writes Chris Godsmark.

BT has appointed Ray Smith, 42, responsible for its consumer products business and retail chain, as Cellnet managing director. It follows the abrupt resignation of Howard Ford as Cellnet MD three weeks ago. No reason has been given for Mr Ford's departure, although it has been linked with City concerns at the network's subscriber numbers in recent months.

Stafford Taylor, MD of BT's personal communications division, said after Mr Ford's departure that he would be taking a closer interest in Cellnet. BT has made clear it would like to buy out its 40 per cent partner, Securicor, but has so far been blocked from doing so on monopoly grounds.

Cellnet has not released customer numbers for this year, but analysts have estimated more subscribers are leaving the network than are joining. The performance puts Cellnet at the bottom of the league table of four networks.

Mr Taylor said: "Ray joins Cellnet at a time of great challenge in the cellular business and in the mobile market. I know he will bring to Cellnet the talents which he has shown in the retail and consumer products division." Mr Smith joined BT in 1987, becoming head of residential calls.

Reed's science division boosted by \$320m deal

Tom Stevenson
City Editor

Reed accelerated its move into electronic publishing yesterday with a \$320m public offer for MDL Information Systems, a California-based supplier of scientific information management systems.

The recommended deal, which will boost Reed's most profitable division, scientific journals, and goes some way to using up the company's estimated £1bn cash pile, is expected to defuse speculation that Reed might be the object of a hostile bid from Reuters.

MDL's software systems, databases and services help customers in the chemical, pharmaceutical and biotechnology industries to manage, analyse and communicate high volumes of research and development material. The company made a pre-tax profit of \$11m in the year to March 1996 on revenues of \$62m.

Science publishing is Reed's



Nigel Stapleton: Warned of £1bn acquisition plans

sevier's most lucrative business, generating pre-tax profits of £231m, a profit margin of 41.8 per cent. Elsevier Science publishes more than 1,200 scientific journals and plans to start delivering them through an on-line database connection this year.

Reed Elsevier's co-chairman, Herman Bruggink, said MDL's products enhanced the productivity and speed of scientific research and were a good strategic fit with Elsevier Science. "There are considerable opportunities, particularly in an on-line environment, to add further value to the customers of both MDL and Elsevier Science through the electronic linkage of data," he said.

Shares in Reed fell 19.5p to 1084p as the market played down expectations that Reuters might be stalking Reed, where a move away from consumer publishing towards profession-

al and scientific titles has helped profits move steadily ahead. Earlier this month, Reed announced a 10 per cent improvement in profits to £806m.

At the time of the results announcement, co-chairman Nigel Stapleton said Reed could swallow an acquisition of more than £1bn. Last year he warned that Reed was prepared to sacrifice strong earnings and margin growth to aggressively pursue acquisitions in electronic publishing.

Analysts welcomed the purchase, saying MDL would mesh well with Elsevier's science publishing business and give an extra push to its plans for electronic distribution.

"In terms of multiples of sales and profits the price is pretty substantial but I think the synergy advantages will justify that," one said.

The exit price/earnings multiple of 32 is considered high for a publishing company but a reasonable rating for a takeover in the information technology sector.

It is thought the continuing outflow of cash on acquisitions might act as a catalyst for Reed to put what remains of its consumer book publishing operations on sale.

The division was withdrawn from sale two years ago after it failed to attract high enough bids but Mr Stapleton said earlier this month that it was confident the operation would soon be attractive enough to sell again.

ScotAm ready to name its preferred bidder

Clifford German

Scottish Amicable is poised to announce the preferred bidder it will recommend to the society's 1.1 million members, with the Prudential yesterday emerging as the City's favourite candidate. A decision could come as early as today.

The ScotAm board has to choose between the Pru, Abbey National and the Australian-based AMP by the end of the month. Analysis said a decision is unlikely to be announced on Good Friday, the Easter weekend or Easter Monday.

It is now clear that the initial decision will only name the preferred bidder. Unless the other bidders give permission details of the rival offers will not be published until the ScotAm board's formal circular is sent to members for approval, and that could be up to two weeks after the initial announcement.

That opens up the possibility of an argument over whether the best bid has been chosen. ScotAm's advisers, SBC Warburg, have continued to insist that the winning bidder may not necessarily be the one with the highest headline figure, because of difficulties in comparing like with like.

The Prudential's initial offer was valued at £2.2bn but this included a £1.5bn loan to the ScotAm life fund. That would help

it invest more profitably in the long run but would not have the same appeal to policyholders as a large cash bonus or allocation of shares.

The final bids, made under conditions of secrecy, may however have narrowed these differences.

AMP admits to being the outsider because it is Australian-based and still a mutual insurer, although it is the most determined to expand its European operations through a takeover and is unlikely to be the lowest bidder. It is, however, making contingency plans to launch a bid elsewhere if it fails to win ScotAm.

Abbey National was the first to show its hand and already has a strong Scottish presence through the ownership of the Scottish Mutual.

Last week the City gave Abbey the dubious privilege of installing it as favourite to win through an overpriced offer and responded by selling Abbey National shares. They were down 8.8 per cent, and the Prudential 6.4 per cent, but over the weekend the Prudential was installed as slight favourite.

Shares in the Pru fell a further 3.5 per cent yesterday, partly on fears that insurers would be saddled with the cost of American tobacco companies compensating smokers.

Bass merger decision is delayed until after election

Chris Godsmark
Business Correspondent

The Government yesterday dismayed competition lawyers by confirming that decisions on three reports by the Monopolies and Mergers Commission, including the £200m deal by Bass to buy Allied Domecq's stake in Carlsberg-Tetley, will be delayed until after the election.

It means a Labour secretary of state for trade and industry could be faced with a series of high-profile merger decisions straight after the election, giving a first test of the party's consumer-led competition policy.

Labour could also decide the outcome of the controversial tie-up between British Airways and American Airlines. The Office of Fair Trading has suggested pro-

visional conditions under which the deal can avoid an MMC investigation, but rival carriers including Virgin have criticised these as being far too lenient.

One competition lawyer, Fiona Schaeffer from solicitors SJ Berwin, said: "The main issue here is one of delay, with the uncertainty of what a new Labour government will do. It may be these decisions will be quite different under Labour from the Conservatives. The BA-American decision is now clearly taking place in an overtly political context."

The MMC report on the Bass/Carlsberg-Tetley deal yesterday arrived on the desk of Ian Lang, President of the Board of Trade. There has been intense speculation that Bass may walk away from the agreement to buy

Allied's stake in Carlsberg-Tetley if the MMC's conditions are too onerous. The report is thought to have recommended the sale by Bass of up to 2,000 pubs.

Labour would have to decide whether the link-up, creating Britain's biggest brewer with 35 per cent of the market, is against the consumer's interests. Mr Lang's predecessor, Michael Heseltine, allowed Scottish & Newcastle to buy Courage, giving the merged group more than 30 per cent of the market.

Two further MMC reports have yet to be passed on to Mr Lang. These are the proposed merger of some P&O ferry services with Stena's and the £250m link-up between two foreign-owned chocolate coating makers, Klaus Jacobs and Societe Centrale.

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business

Burford in £100m hotels venture

Tom Stevenson
City Editor

Burford confirmed itself as one of the property sector's most innovative and entrepreneurial businesses yesterday, forging a £100m link with one of America's most successful hoteliers to recreate New York's Royalton and Paramount hotels in London and around Europe.

The deal looks certain to be the prelude to another Burford demerger to follow the recent spin-offs of three businesses including the Trocadero leisure complex in London's Piccadilly Circus.

Burford has been in negotiations since before Christmas with Ian Schrager about recreating his successful "lifestyle" hotels for wealthy baby-boomers in Europe. He made his name in the 1970s with Studio 54, the New York nightclub whose regulars included Bianca Jagger and Andy Warhol before opening a string of chic

hotels across America. Mr Schrager continues to rub shoulders with the rich and fashionable and boasts Madonna as a partner in his Miami hotel, the Delano. He will be managing director of the joint venture and will be responsible for the development and operation of the hotels.

Nick Leslau, Burford's chief executive, said yesterday: "There is little doubt that Ian has created a business which is the envy of the hotel world. We are extremely excited about the prospect of working with him to create an exciting range of highly individual hotels in London and Europe."

Burford, the UK's ninth-largest property company, has bought three office buildings in London with a view to getting permission to change their use to hotels and acquired an option on a fourth near London's Covent Garden last year.

The move into hotels is the latest diversification for Bur-

ford, which has used a blue-chip property portfolio bought from the wreckage of the early 1990s recession as a springboard for a raft of related leisure businesses.

It has teamed up with Sega of Japan to exploit the heavy flow of tourist traffic through its Trocadero centre and even acquired the rights to favourite children's character Noddy. Hotels are enjoying a prolonged boom, especially in the capital, where rising demand has combined with an almost total absence of new hotel building since the recession to provide perfect conditions for the industry.

The proposed deal also highlights Burford's technique of spinning off its leisure businesses to benefit from the higher ratings attached to these operations than its core property activities while retaining a stake in the companies' fortunes.

Burford also demerged Grantchester, its retail ware-



Exciting prospect: Nick Leslau said Burford would create a range of highly individual hotels in London and Europe

house operation, and Columbus, a publishing business. There are plans afoot to subdivide the Trocadero even further by giving off the licensing business surrounding the Enid Blyton portfolio.

It has been a successful formula, with Mr Leslau and his partner, Nigel Wray, emerging as the property sector's favourite entrepreneurs. Burford's shares have risen almost 10-fold in the past four years.

IN BRIEF

China gives Boeing \$700m order

Boeing is to announce a \$700m aircraft sale to China, its biggest since 1995, ending two years of talks that stalled with trade friction between Peking and Washington, industry and government officials said. The order is believed to be for five 777s. The plane manufacturer is likely to disclose the sale at a press conference in Peking today coinciding with a four-day visit by vice president Al Gore, the highest-ranking US official to visit China since 1989.

BAT denies fighting fund rumour

BAT Industries denied weekend reports that the company had approached other cigarette makers to set up an industry-wide fighting fund. "There is no basis for this story," said Ralph Edmondson, BAT's investment relations manager. Newspaper reports said BAT had contacted rival cigarette makers Philip Morris, RJ Reynolds and Lorillard to form a \$3bn fighting fund and insurance pool to cope with tobacco-related litigation.

Drug sales push up Roche figures

Roche, the Swiss pharmaceuticals group, said 1996 net profit rose 16 per cent as drug sales and financial income surged, and it announced its tenth dividend increase in a row. Net profit rose to a record SF3,900m (\$2.7bn) from SF3,370m.

Net profits double at Gehe

Net profits at Gehe, the German pharmaceuticals distributor, more than doubled last year to DM440m as a result of extraordinary gains from the sale of its five drug manufacturing units. Before extraordinary items, pre-tax profit climbed 15.6 per cent to DM407m on sales 12 per cent higher at DM51.4bn.

Software delay hits Microsoft

Shares in Microsoft fell as much as 7.5 per cent in early trading yesterday amid concern the next version of the company's Windows software will be delayed. Microsoft has delayed the shipment of next revision of its operating system until 1998.

New house sales increase

Tony Travis, chairman of Travis Perkins, the building materials group, said the level of new house sales and total housing transactions had increased progressively since the second half of last year. Pre-tax profits in 1996 rose by 9 per cent to £39.8m.

Migraine treatment approved

Zeneca said it had received approval from the Swedish regulatory authority to market Zomig, a new oral migraine treatment. Sweden is the second country after the UK to approve the drug.

Brammer warns of slowdown

Robert Foulkes-Jones, chief executive of Brammer, the electronics distribution group, warned of a slowdown in growth this year. He was speaking after the group reported an increase in pre-tax profits from £21.6m to £26.2m.

Net income boosted at Lehman

Lehman Brothers' pre-tax profit margin widened to 23.7 per cent from 19.2 per cent in the fiscal first quarter ended in February, boosting net income to \$144m, or \$1.16 per share. Lehman said the first quarter was boosted by gains in strategically important high-margin businesses.

Profits up at Waterford Wedgwood

Waterford Wedgwood reported a 24 per cent jump in pre-tax profits to IRE34.9m, higher than expected, after record sales. "We have set ourselves ambitious goals for the turn of the century," said the chairman, Tony O'Reilly, referring to his pledge to double sales by 2001.

Motor dealer warns of profit fall

Shares in Appleyard fell 5p to 60p yesterday after the motor dealer warned 1996 profits would be sharply down on the previous year and said the dividend would be cut.

Appleyard expects to announce pre-exceptional, pre-tax profits of £3.2m for the calendar year, compared to £7.8m a year ago.

The company said that in light of this "extremely poor result" it intended to recommend a reduced final dividend of 1.6p, making a total dividend for the year of 4.7p (6.2p).

Appleyard said the fall in pre-tax profits and dividends was a result of an "extremely disappointing" final quarter in its passenger car division, especially in relation to used car volumes and margins.

Appleyard expects to sell further dealerships as going concerns during 1997, with four in advanced stages of negotiation. The company also decided not to invest additional capital at eight locations owing to the absence of acceptable returns, it said.

Appleyard estimates these actions will result in an exceptional reorganisation charge of around £8.6m in 1996, while actual and planned disposals are expected to generate approximately £8m during 1997.

It said the commercial vehicle division and the contract hire and leasing business, jointly owned with Barclays Bank, were unaffected by this review and continued to operate profitably.

The company said the start to the year had "on the whole, been encouraging", with order intake in the contract hire and leasing business being ahead of budget.

Appleyard will split the roles of chairman and chief executive from the end of 1997. Mike Williamson, group chairman and chief executive, will relinquish all executive duties on 31 December and become non-executive chairman. Negotiations to appoint a new chief executive are said to be at an advanced stage.

Appleyard's full-year results are due on 14 April.

Results revive wilting shares in biotechs

Magnus Grimond

Shares in Shield Diagnostics and PPL Therapeutics, two biotechnology-related companies, recovered some recent heavy losses yesterday after announced encouraging results from trials of new products.

Shield soared 40p to 690p after it said British tests on its activated factor twelve (AFT) "point towards" it becoming a significant tool for the prediction of heart disease in the general population.

Separately, PPL saw its shares rise 20p to 447.5p on news that it had extended its transgenic drug creation technology to rabbits. The gain makes up some of the ground lost since the price jumped and then collapsed a month ago after the announcement that it held an exclusive licence to Dolly the sheep, the world's first cloned animal.

Dundee-based Shield yesterday played down the importance of the collapse of US trials on AFT, the announcement of which late on Friday prompted a collapse in the share price to

667.5p after having rocketed to a peak of 919p. A spokeswoman for the company described the study of 700 patients in a 10-year old US government-sponsored programme as "in a sense a bonus study, because the main ones are in the UK".

Yesterday the company was concentrating on the UK tests. Shield said they showed that increased AFT levels in the blood correlated with an increased risk of disease. At the same time, there were over 30 per cent higher levels of AFT in patients with coronary heart disease than healthy people, compared with 7 per cent more cholesterol, an existing test marker.

Separately, PPL announced it had successfully produced a so-called amidated peptide in the milk of genetically modified rabbits. The production of calcitonin, the first time a peptide of this class has been produced, was being claimed as offering the potential for a greater number of pharmaceutical products to be generated from transgenic technology. Calcitonin is used in the treatment of ailments such as brittle bone disease.

Company Results				
	Turnover £	Pre-tax £	EPS	Dividend
Amey (F)	236.4m (244m)	11m (5.32m)	22.4p (12.7p)	9.0p (7.1p)
Antalgos Holdings (F)	180.4m (178.3m)	44.5m (76.3m)	19.3p (35.3p)	6.5p (6.5p)
Barracuda (F)	190.5m (148.8m)	23.04m (15.78m)	37.51p (33.81p)	15.1p (13.5p)
BGI (F)	1.83m (1.78m)	297.8m (263.8m)	22.5p (18.4p)	13.25p (12.5p)
Brammer (F)	225m (183m)	28.18m (21.59m)	40.7p (21.5p)	16.8p (14.25p)
Cap & Regional Props (F)	-	6.1m (4.7m)	12.21p (8.55p)	3.0p
Forth Ports (F)	84.7m (47.3m)	22.2m (15.3m)	38.9p (28.4p)	13.0p
Global Group (F)	148.1m (119.4m)	4.16m (2.91m)	1.87p (1.51p)	0.85p (0.8p)
How Group (F)	137.1m (125.1m)	2.72m (1.2m)	4.88p (2.7p)	1.9p (1.125p)
Inchcape (F)	6.3m (6.3m)	107m (17.6m)	4.3p (4.3p)	10.5p (10.5p)
Kingspan Group (F)	111.25m (103.3m)	113.3m (116m)	137.8p (118.7p)	114.5p
Morgan Crucible (F)	88.1m (83.2m)	100.2m (85m)	29.1p (25.3p)	14.5p (13.4p)
Nectar-BMA (F)	137.2m (147.7m)	-2.02m (6.31m)	-5.42p (5.79p)	3.47p (3.15p)
Nottingham Group (F)	55.3m (49.5m)	4.25m (6.88m)	5.33p (6.82p)	5.75p (5.75p)
PPL (F)	2.5m (4.4m)	-0.2m (-1.44m)	-41p (-32p)	nil
Scruttons (F)	42.1m (47.1m)	-142.00m (1.3m)	-16.4p (18.4p)	13p (13p)
Severnfield-Rivers (F)	86.12m (88.21m)	3.06m (1.87m)	1.1p (0.8p)	nil
Sherratt Group (F)	168.1m (179.8m)	5.02m (17.22m)	1.7p (8.8p)	3.8p (3.6p)
Snyder-Holmes (F)	84.2m (75.4m)	5.03m (6.53m)	1.18p (2.02p)	0.8p (0.7p)
Traffic Partners (F)	518.5m (491.6m)	38.8m (36.5m)	25.8p (28.7p)	10.0p (8.5p)
Transit (F)	259.8m (211m)	14m (6.72m)	7.1p (4.6p)	2.34p (2.05p)
T&S Shires (F)	501.1m (445.2m)	17.72m (15.46m)	16.75p (16.13p)	7.75p (7.1p)
Ulster TV (F)	-	9.02m (8.2m)	11.48p (10.56p)	5.1p (4.5p)
Waterford Wedgwood (F)	376.3m (344.5m)	103.4m (102m)	104p (103.38p)	101.4p
Vici (F)	93m (75.8m)	9.05m (6.03m)	19.5p (17.3p)	7.8p (7.1p)

(F) - Final (I) - Interim (N) - Nine months

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Blue Circle turns up heat with good buy at right price

Blue Circle and acquisitions have not always mixed, as the overpriced purchase of its heating and bathrooms businesses at the wrong end of the last boom showed too clearly. Yesterday's purchase of St Mary's Cement in Canada, however, had analysts salivating - in its core heavy building materials division, Blue Circle has not put a foot wrong.

The deal brings in 46 ready-mixed concrete plants, 6 million tonnes of aggregates and a handful of other block and brick operations at what industry watchers believe is the bottom of the cycle in North America.

Anti-trust considerations meant the family seller had only one serious buyer to deal with and Blue Circle has done a fine deal, offering pre-interest and tax profits of £29m for an annual interest cost on the £200m consideration of about £15m.

The shares closed 12p lower at 403.5p, a reflection of disappointment with full-year figures for 1996, but with all the shortfalls in expectations occurring in the difficult Nigerian market, analysts remained unfazed. Pre-tax profits of £297.6m were 9 per cent better than 1995's £272.8m before last year's restructuring charge, and a 6 per cent dividend rise keeps the momentum going since 1993's held payout.

Yesterday the company was concentrating on the UK tests. Shield said they showed that increased AFT levels in the blood correlated with an increased risk of disease. At the same time, there were over 30 per cent higher levels of AFT in patients with coronary heart disease than healthy people, compared with 7 per cent more cholesterol, an existing test marker. Separately, PPL announced it had successfully produced a so-called amidated peptide in the milk of genetically modified rabbits. The production of calcitonin, the first time a peptide of this class has been produced, was being claimed as offering the potential for a greater number of pharmaceutical products to be generated from transgenic technology. Calcitonin is used in the treatment of ailments such as brittle bone disease.

But the real excitement came, in heating, where cost-cutting led to doubled profits despite sluggish continental markets keeping the lid on turnover, down 2 per cent on the year. Again that made up for disappointing profits in bathrooms.

Blue Circle's shares have outperformed the market handsomely for four years now, which is no surprise, the stock's fans say, when you

consider its lack of European exposure in cement but big presence in fast-growing developing markets.

Even so, on forecasts of £359m this year and £397m next time, the shares trade on a prospective p/e multiple of only 14, falling to 12.9. That compares with a sector average of 12 times but represents a large discount to the rest of the market, which seems harsh given growth prospects and the probability that an eventual sale of the heating and bathrooms side could lead to a substantial return of value to shareholders. Good value.

Slim Inchcape looks attractive

It has been a busy year at Inchcape, the underperforming motor distributor and marketing group. It was almost 12 months ago that Philip Cushing was promoted to chief executive in place of the ousted Charles Mackay. Then, the shares were only just recovering from their low of 206.5p, having collapsed from their 630p high in May 1993 following profits warnings.

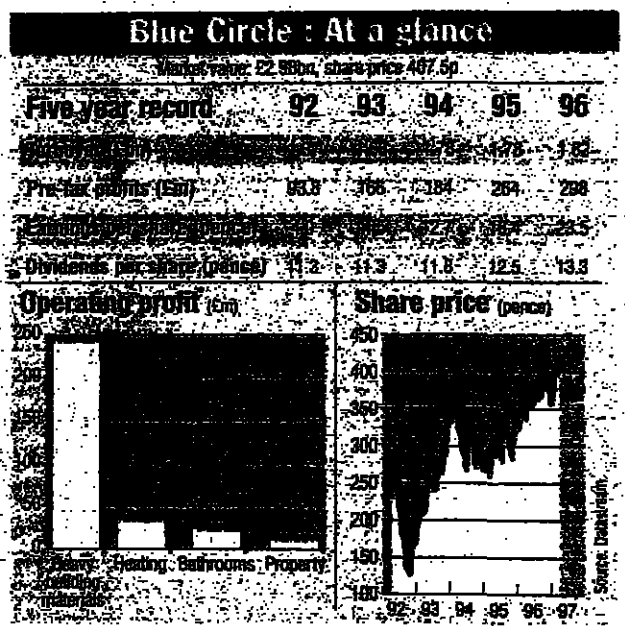
Under Mr Cushing and the chairman, Sir Colin Marshall, Inchcape has streamlined its businesses. The testings business was sold to its management for £380m and the Bain Hogg insurance division sold to Aon for £160m.

Those disposals leave Inch-

cape with £40m net cash and focused on its motors, marketing and bottling businesses with additional interests in business machines and shipping services. It is hardly the leanest portfolio ever devised but it is moving in the right direction. Importantly the City has turned positive on the company whereas 18 months ago there was rarely a positive word said about it. The shares, which have been trading water for much of the past year, rose 13p to 268.5p as analysts upgraded forecasts.

Yesterday's results for the year to 31 December were in line with expectations showing a 12 per cent increase in headline profits to £165m. In the motors division, profits rose by 29 per cent with a two-thirds increase in import and distribution profits making up for an almost identical fall in profits on the retail side. Luxury cars have led the way with Ferrari imports strong and BMW, Mercedes and Jaguar marques performing well.

The marketing division, which is spread across retail franchises for Timberland and a consumer and logistics division, is the next candidate for rationalisation. The soft drink bottling operations were affected by start-up costs in Russia. With analysts expecting £178m profits this year Inchcape shares trade on a forward rating of under 13. With a market value of £1.3bn compared with group sales of £5.7bn, they look good value.



Swings and roundabouts at Morgan

Morgan Crucible, the carbon brushes to ceramic materials group, has established an enviable reputation for reliability in recent years. It has avoided external shocks by combining a focus on a limited number of industrial areas with a diverse customer base. Margins at 12.7 per cent last year are close to the target of 15 per cent and management continues to bear down on working capital.

But sometimes maturity means maturity and the market seemed to be concentrating on that yesterday when it marked Morgan's shares down 5.5p to 469.5p despite news of an 18 per cent rise in pre-tax profits to £100m for 1996. Strip away a £7m first-time contribution from acquisitions and underlying operating profits were up a less inspiring 5 per cent.

The fortunes of Morgan's four divisions reflected the swings and roundabouts of the developed economies last year. The lengthy strike at General Motors early in the year cost around \$12m, with more than half the impact

falling on the carbon division. Then came a general downturn in the semiconductor and electronics industries, hitting the technical ceramics business, and European economies started to slow. But towards the end of the year, many areas started to come back. UK and European sales rose 2-3 per cent and North America was 6.5 per cent higher than 1995.

With uninspiring growth like that in its main markets, Morgan is concentrating more of its fire on South-east Asia, which raised sales 12 per cent last year, and in continued cost-cutting. With only 9 per cent of sales in the Far East, there is plenty to go for there.

Meanwhile, despite shaving perhaps another £5m from costs last year (for a charge of £4.2m), the company reckons there is still five to 10 years work to do. So even if profits only scrape to £110m this year, rising to £124m next, the shares on a forward p/e of 15, dropping to 14, are not over-priced. Add in Morgan's relative immunity to sterling and they look fair value.

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market report / shares

BAT puffs ahead as insurers sink on litigation fears

Taking Stock

MARKET REPORT

DEREK PAIN

stock market reporter of the year



The smoking and health litigation took sudden toll of insurance shares. Worries that some of the leading insurers could be liable if awards are made against the tobacco plants seemed to be prompted by a leading securities house. Schroders is believed to have told clients that many of the older policies, those taken out in the 1950s and 1960s, could leave insurers exposed to successful claims. More recent policies excluded liability.

BAT Industries was thrown by the Schroders claim: "It could be right; we just don't know," a spokesman said. Schroders refused to comment. It was unclear just how much of any BAT settlement would be covered by the older insurance policies.

The investment house has, apparently, produced a new BAT break up valuation of between 670p to 830p. The possibility some claims

could be ring-fenced helped lower Royal Sun Alliance 16p to 430p, GRE 9p to 270.5p and Commercial Union, which feels there could be some modest liability, 20p to 640p. Prudential Corporation, said to be the likely winner of the Scottish Amicable auction, lost 18p to 540p.

BAT for so long in the doldrums as the health lobby has taken, the initiative, was the day's best-performing blue chip, puffing ahead 15p to 509p. Imperial shaded 2.5p to 417p.

The rest of the market had another sad session, weighed down by election and interest rate considerations. Footsie tumbled 40 points to 4,214.8, lowest for eight weeks. The supporting FTSE 250 index was cut by 28.1 to 4,536.9.

There is a widespread conviction US interest rates will be forced higher this week and the next domestic move will be a

sharp uplift, soon after the election. Interest-sensitive shares, such as builders and retailers, took the brunt of the selling pressure.

Bass fell 8.5p to 800.5p as it became apparent its controversial takeover bid for Carlsberg Tetley, the nation's third-largest brewer, was likely to be stuck in the Whitehall system until after the election.

There is also the suspicion Bass is, anyway, preparing to walk away. To allow the deal the Monopolies & Mergers Commission was said to be making such draconian demands the brewer had decided it was unrealistic to go ahead.

Bass, it was said, was being

told to sacrifice more than 1,000 pubs and some leading brands if it wanted to leapfrog Scottish & Newcastle and again become the nation's biggest brewer.

Scottish and Whitbread, which could suffer if a stand-alone Carlsberg Tetley is forced into a desperate cut-prices campaign to boost sales, weakened with Scottish off 11p at 664.5p and Whitbread 11.5p to 758.5p.

Shell was another under the weather. The oil giant, caught up in a local Nigerian dispute, fell 24.5p to 1,056.5p after closing six production stations, cutting 100,000 barrels a day. Stagecoach had another

wayward day as the market continued to fret about its South West Trains fiasco, falling 29.5p to 649.5p.

Imperial Chemical Industries was hit by another round of profit downgrades. SBC Warburg cut its estimates from £635m to £565m and from £750m to £730m. But it believes the worst is over and the shares could be worth buying; they fell 12.5p to 690p.

Reed International, linked with Reuters in recent speculation, fell 19.5p to 1,084p; it is splashing out \$320m for MDL Information Systems, a US group.

An array of newcomers did well. Disagonal, an IT consultancy, reached 310p from a 27p placing. Hear's, the home furnishings retailer issued at 175p, closed at 205.5p. Helphire, providing monitoring services, rose from 100p to 126.5p and Prestbury Leisure traded at 2.75p from a 2p placing.

Shield Diagnostic's eagerly awaited presentation was well received with the shares rallying 40p to 690p.

Chemical Design, a software group supplying the pharmaceutical industry, rose 25p to 245p. The company, floated at 110p in August, has won an EU contract to supply a computerised chemical information system.

Charlton Athletic, which made a relegation-style debut on Friday, edged 1.5p ahead to 64.5p. The shares were placed at 80p. Stockbroker Teather & Greenwood is a fan. "Management with extensive plc and financial experience is taking executive control and intend to operate at a profit," it says. Profits this year, boosted by transfer fees, should be around £1.55m.

Netcall, a computer telephony group, firmed 1p to 75.1p. Herald Investment piled in at 60p.

Arcon International eased 1p to 46p, despite making the first shipment from its Irish lead-zinc mine in County Kilkenny. Production has started at a time zinc prices are at their highest for four years. The development is expected to have a 13-year life at the planned production rate although only 5 per cent of the prospect has been explored.

Speculation in the staid world of Lloyds investment trusts, Matheson Lloyd's closed at a 114p peak, up 1.5p, on suggestions of stake-building. Goshawk Insurance is one interested party and is thought to have accumulated a significant stake and Benfield & Rose has around 5 per cent. Goshawk, related to Lloyds managing agency, Gammell Kershaw, came to market in November at 110p; the shares are now 124.5p.

Share	Price	Change	Share	Price	Change
Bass	800.5	-8.5	Carlsberg	10.5	-0.5
GRE	270.5	-9	Imperial	417	-2.5
Royal Sun Alliance	430	-16	Scottish & Newcastle	10.5	-0.5
Whitbread	758.5	-11.5			
Banks, Merchant					
Barclays	10.5	-0.5	HSBC	10.5	-0.5
Bank of Scotland	10.5	-0.5	First Direct	10.5	-0.5
Bank of Ireland	10.5	-0.5	First Direct	10.5	-0.5
Bank of London	10.5	-0.5	First Direct	10.5	-0.5
Bank of Montreal	10.5	-0.5	First Direct	10.5	-0.5
Bank of New York	10.5	-0.5	First Direct	10.5	-0.5
Bank of Paris	10.5	-0.5	First Direct	10.5	-0.5
Bank of Rome	10.5	-0.5	First Direct	10.5	-0.5
Bank of Spain	10.5	-0.5	First Direct	10.5	-0.5
Bank of Tokyo	10.5	-0.5	First Direct	10.5	-0.5
Bank of West	10.5	-0.5	First Direct	10.5	-0.5
Bank of Zurich	10.5	-0.5	First Direct	10.5	-0.5
Bank of America	10.5	-0.5	First Direct	10.5	-0.5
Bank of Canada	10.5	-0.5	First Direct	10.5	-0.5
Bank of China	10.5	-0.5	First Direct	10.5	-0.5
Bank of India	10.5	-0.5	First Direct	10.5	-0.5
Bank of Japan	10.5	-0.5	First Direct	10.5	-0.5
Bank of Korea	10.5	-0.5	First Direct	10.5	-0.5
Bank of Malaysia	10.5	-0.5	First Direct	10.5	-0.5
Bank of Mexico	10.5	-0.5	First Direct	10.5	-0.5
Bank of New Zealand	10.5	-0.5	First Direct	10.5	-0.5
Bank of Norway	10.5	-0.5	First Direct	10.5	-0.5
Bank of Sweden	10.5	-0.5	First Direct	10.5	-0.5
Bank of Switzerland	10.5	-0.5	First Direct	10.5	-0.5
Bank of Taiwan	10.5	-0.5	First Direct	10.5	-0.5
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Bank of the Republic of Vietnam	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of China (Taiwan)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (South)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (North)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Singapore	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Vietnam	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of China (Taiwan)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (South)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (North)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Singapore	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Vietnam	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of China (Taiwan)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (South)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (North)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Singapore	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Vietnam	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of China (Taiwan)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (South)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (North)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Singapore	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Vietnam	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of China (Taiwan)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (South)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (North)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Singapore	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Vietnam	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of China (Taiwan)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (South)	10.5	-0.5	First Direct	10.5	-0.5
Bank of the Republic of Korea (North)	10				

Stronger UK economy will keep current account under control

Why, asked a colleague, are the current account figures so good when sterling is so strong?

The most important questions in economics always come in the simplest form, and this one is enormously important. We have just had the current account figures for the final quarter of last year, when sterling suddenly shot up to within a whisker of its old ERM rate. It has come at the end of a year of decent, if unspectacular, growth, and a decent, if unspectacular, rise in living standards. And at a time when UK house prices have at last begun to rise in earnest.

Popular wisdom would have expected that under these circumstances the current account deficit would widen sharply as a result of rising imports, for whenever Britons have felt prosperous in the past they have tended to rush out and buy things that had been made abroad.

But this time it does not seem to have happened. Instead of the current account deficit widening in the final quarter of the year, it disappeared. In fact there was a surplus of £875m. It is a bit like the time when everyone predicted that sterling's devaluation following the exit from the ERM would lead to a surge in inflation: most were wrong.

When figures turn out to be very different from what might be expected there are three possible explanations: the figures are wrong, the figures are right, but there has not yet been time for the economy to respond to the change, so after a time-lag the figures will move in the expected direction; and something radical has happened.

The first explanation is always worth testing. Current account figures have long been notoriously unreliable, and may even be becoming more so. You might imagine that it is easy to measure what comes in and out of the country and for physical trade that is pretty

much the case. But even measuring physical trade has become more difficult as EU integration has proceeded. In any case on the export side such trade accounts for only half our foreign earnings, and these "invisible" earnings are notoriously subject to revision.

It is always possible that invisibles have been miscounted. One of the reasons the figures are better than expected is that foreign investment earnings (denominated in foreign currencies and translated into sterling terms) have apparently not suffered as much as might be expected from the currency conversion. These figures will be revised again several times as more data comes in. But I think it is unlikely the figures will be so wrong as to be completely misleading. They have to be wrong as to direction as well as magnitude and that really is unlikely.

The second explanation - that they are right but that there is a lag in the economy's response to higher sterling - is more plausible. The conventional theory is of up to a year in the response of trade to changes in an exchange rate. Economists talk of the J-curve, for when plotted on a graph, the response to a devaluation looks like a "J". The immediate reaction to a devaluation is for the trade account to get worse, not better because it takes a while



Hamish McRae
Instead of the current account deficit widening in the final quarter of the year, it disappeared. In fact there was a surplus

for volumes to improve and in the very short term the lower prices received for exports and the higher prices paid for imports make matters worse.

We are talking here of a revaluation, not a devaluation, so in this case the J is upside-

down: in the first few months the effect of revaluation would be to improve the current account - which of course is what seems to have happened.

There is no doubt there has been a sharp shock to the competitiveness of our companies, witness the way in which unit labour costs have been pushed back to pre-ERM exit levels, as the left-hand graph, from ABN Amro Hoare-Govett, shows.

The "lag" explanation looks even more convincing when you consider other aspects of the economy. Thus we are not responding to the rise in house prices by rushing out and buying as many BMWs as we did last time, because we are not yet too sure of the durability of the rise. After all, everyone knows that interest rates will rise after the election (and after a rise in US rates which may happen this week); higher interest rates tend to knock house prices, and people will therefore wait a while before having a splurge. Companies too are not rushing out to buy more capital equipment because they too are cautious about the durability of domestic demand.

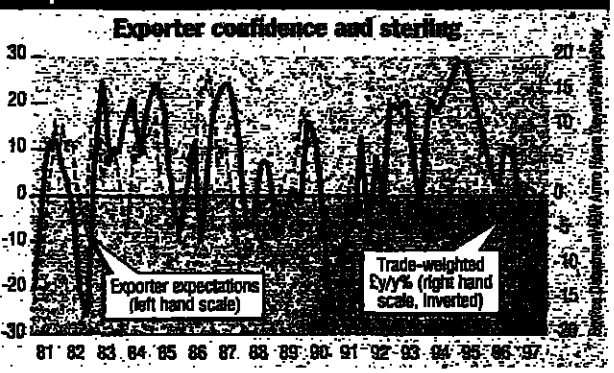
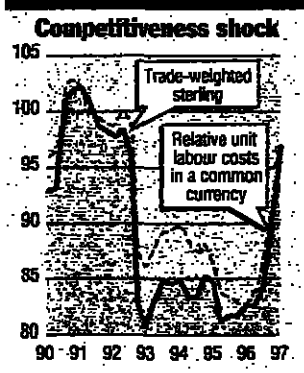
So it would be surprising if there were not something in explanation number two. But I don't think one can dismiss the good current account figures simply on the grounds that the rise in sterling is too new to have done much damage. I

think that explanation number three - that something really has changed - is also valid.

Have a look at the graph on the right, based on work by brokers PaineWebber. You can see how over the last 15 years there has been a close relationship between the pound and exporter confidence. The pound scale is inverted, so that the higher it goes the lower exporters' confidence. But it does not seem to have deteriorated as much as one might have expected, given the scale of the movement in the currency. Exporters are concerned, but not nearly as desperate as they were in 1982/3 or 1990/91. Maybe they feel they can stand a rise in sterling better.

That is just physical trade. Maybe there is a change in the invisible account too. Some of our invisible exports will not be sensitive to currency movements: the mark-up on financial services, for example, is so high that the odd 10 per cent on sterling will not affect the volume much. Travel? Tourism is always sensitive to currency movements and it would be surprising if there were not some effect. But it may be that the rise in sterling is not yet big enough to change travel plans radically.

As for other invisible earnings like royalties and patents, plus interest and dividends - the only real loss of revenue is through currency translation, and the early sign seems to be that this is not too serious. The correct answer to the question at the head of this column, therefore, is this. "The current account is not deteriorated partly because it hasn't yet had time to do so - expect some deterioration though this year. But do not expect it to get seriously out of control because the economy is better able to cope with strong sterling than it was even five years ago." At least, that is the correct answer until it is proved wrong.



Foreign Exchange Rates

Country	Spot	1 month	3 months	D-Mark	Spot	1 month	3 months
US	162.22	8.6	24.21	1000	29.28	82.80	0.9523
Canada	23.84	81.36	170.62	13767	29.28	82.80	0.9523
Germany	23.70	70.38	136.66	13767	29.28	82.80	0.9523
France	162.22	23.11	69.64	13767	29.28	82.80	0.9523
Italy	23.70	26.42	71.94	13767	29.28	82.80	0.9523
Japan	162.22	81.36	170.62	13767	29.28	82.80	0.9523
EU	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Belgium	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Denmark	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Netherlands	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Spain	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Sweden	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Switzerland	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Australia	162.22	81.36	170.62	13767	29.28	82.80	0.9523
South Africa	162.22	81.36	170.62	13767	29.28	82.80	0.9523
India	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Singapore	162.22	81.36	170.62	13767	29.28	82.80	0.9523

Other Spot Rates

Country	Spot	1 month	3 months	D-Mark	Spot	1 month	3 months
Argentina	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Australia	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Brazil	162.22	81.36	170.62	13767	29.28	82.80	0.9523
China	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Denmark	162.22	81.36	170.62	13767	29.28	82.80	0.9523
France	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Germany	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Italy	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Japan	162.22	81.36	170.62	13767	29.28	82.80	0.9523
South Africa	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Sweden	162.22	81.36	170.62	13767	29.28	82.80	0.9523
Switzerland	162.22	81.36	170.62	13767	29.28	82.80	0.9523
United States	162.22	81.36	170.62	13767	29.28	82.80	0.9523

Forward rates quoted low to high are at a discount; subtract from spot rate
Dollar rates quoted as requested; add to spot rate
For the latest foreign exchange rates call 0891 123 3033.
Calls cost 50p per minute

Interest Rates

Country	Rate	Country	Rate	Country	Rate	Country	Rate
UK	6.00%	Germany	2.50%	US	6.75%	Japan	0.50%
France	3.15%	Italy	4.50%	Canada	5.25%	Sweden	2.50%
Spain	4.75%	Belgium	2.50%	Switzerland	1.00%	Netherlands	2.50%
Denmark	2.70%	Portugal	4.00%	South Africa	10.00%	South Korea	4.50%

Bond Yields

Country	7yr	10yr	15yr	20yr	Country	7yr	10yr	15yr	20yr
UK	7.0%	7.5%	7.5%	7.5%	Netherlands	4.5%	4.5%	4.5%	4.5%
France	6.2%	6.2%	6.2%	6.2%	Spain	7.5%	7.5%	7.5%	7.5%
Germany	6.0%	6.0%	6.0%	6.0%	Belgium	4.7%	4.7%	4.7%	4.7%
Italy	5.5%	5.5%	5.5%	5.5%	Sweden	2.5%	2.5%	2.5%	2.5%
Japan	0.5%	0.5%	0.5%	0.5%	Switzerland	1.0%	1.0%	1.0%	1.0%
Canada	5.2%	5.2%	5.2%	5.2%	Portugal	4.0%	4.0%	4.0%	4.0%
South Africa	10.0%	10.0%	10.0%	10.0%	South Korea	4.5%	4.5%	4.5%	4.5%

Money Market Rates

Instrument	Overnight	7 Day	1 Month	3 Months	6 Months	1 Year
Banking CDs	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Local Authority Depos	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Discount Market Rates	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Treasury Bills (Rpt)	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
EU Central Bank	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%

Tourist Rates

Country	Rate	Country	Rate	Country	Rate	Country	Rate
Australia	1.9750	France	6.8550	New Zealand	2.2500	South Africa	10.0000
Canada	1.6300	Germany	2.5000	Sweden	2.5000	South Korea	4.5000
Denmark	1.0000	Italy	4.5000	Switzerland	1.0000	Spain	7.5000
Japan	0.5000	Portugal	4.0000	United States	1.6222	Sweden	2.5000
Netherlands	2.5000	South Africa	10.0000	Switzerland	1.0000	Spain	7.5000
Portugal	4.0000	South Korea	4.5000	Sweden	2.5000	Spain	7.5000
South Africa	10.0000	Spain	7.5000	Sweden	2.5000	Spain	7.5000
South Korea	4.5000	Sweden	2.5000	Spain	7.5000	Sweden	2.5000
Spain	7.5000	Sweden	2.5000	Spain	7.5000	Sweden	2.5000
Sweden	2.5000	Spain	7.5000	Sweden	2.5000	Spain	7.5000
Switzerland	1.0000	Spain	7.5000	Sweden	2.5000	Spain	7.5000
United States	1.6222	Sweden	2.5000	Spain	7.5000	Sweden	2.5000

Life Financial Futures

Contract	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low
Long Gilt	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short Gilt	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Long Euro	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short Euro	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25

Life FTSE Index Option

Series	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low
Long	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Long	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25

Energy

Instrument	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low
Long	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Long	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25

Commodity Indices

Index	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low	Settlement	High/Low
Long	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Long	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25
Short	100.25	100.25	100.25	100.25	100.25	100.25	100.25	100.25

A fancy foreign word for 'the office is in a mess'

PEOPLE & BUSINESS



The funny side of office furniture: from President's booklet

Along with the cellular office and hot desking, I can now add another word to the ever-growing lexicon of modern office-speak: "bureaucracy".

According to a booklet, "Everything you wanted to know about offices... but were afraid to ask" published by President, an office furniture maker based in St Albans, bureaucracy is German for "office landscape".

"It's a form of open-plan layout with seemingly chaotic arrays of desks which are arranged to reflect the flow of communication between people and departments," says the booklet.

It never really caught on but President's marketing director Colin Watson still recommends it, as any German words in a conversation sound impressive. How about: "My personal *Werkstatt* encompasses a certain feeling of *Schadenfreude* when I see a *zeitgeist* that allows people to work in *bureaucracy*."

Feel free to use this phrase near the photocopier anytime.

Oh dear, more pre-election revelations of Tory sleaze; Ken Clarke, the Chancellor, has been in court, with the words "thief" and "fraud" flowing thick and fast. Sadly for Tony Blair and pals, it's only in a training video compiled by Beachcroft, Stanley, a City law firm, that the word "thief" is used. In the video titled "On Trial" our Ken poses briefly as a jury foreman, who batters with the judge, played by his former Government colleague David Hunt, ex Minister of Employment. All participants appeared for free so, tragically, there is not even the scintilla of sleaze.

The mock trial was shot at Nottingham Galleries of Justice last October and forms part of a training pack for the insurance industry. In the trial an insurance company has rejected a claim for theft. This enables Mr

Hunt to speculate on the legal definition of a "reasonable man" and how he might behave. Would a reasonable man, for instance, be one who likes his flat and clear, wears ill-fitting suits and hush puppies?

Such a blunt reference to the Chancellor seems a trifle unfair. A spokesperson for Beachcroft points out: "The Chancellor was quite smart actually - he was wearing a blue pinstripe." Obviously Ken is repositioning himself as an extra for *Kavanagh QC* after the election.

Dick Brown, the American-born chief executive of Cable & Wireless, has accelerated his drive to install US corporate values into the bureaucratic relic of empire by holding firm meetings for directors.

Adrian Moore, director of corporate communications, was absolutely determined not to be late yesterday morning. Like many of C&W's board he rides a motorbike to work to cut down on commuting time.

So an eager Mr Moore revs up to C&W's office just off High Holborn at 5.45 to find that the corporate garage is locked. Obviously other members of the company haven't heard about Mr Brown's initiative. Anyway,

Mr Moore parks his "Hog" on a street, plunks the coins in, and heads indoors for the meeting.

He finally emerges at 9.30, just in time to see his beloved bike being clamped. It cost him £68 to get it back. So much for trying to save on commuting expenses.

Norman Lyle, the senior vice-president of the Chartered Institute of Management Accountants (CIMA), has been appointed group financial director of Jardine Matheson.

Congratulations. But hang on, Jardine is a Hong Kong business, despite now being registered in London, and Mr Lyle will have to move to the colony. So how will he represent CIMA at the same time when he succeeds Rod Hill as the association's president in June?

John Chester, CIMA's secretary, says it will be "no problem at all. In fact it's a good thing. We're an international organisation, and he will be very well placed to represent us."

Mr Chester points out that Jardine has its head office in London, so Mr Lyle should have no problem attending the four or five CIMA board meetings each year.

John Wilcock

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Latest Unit Trust Prices

Stock	Sell	Buy	Yld	Stock	Sell	Buy	Yld	Stock	Sell	Buy	Yld
ABN AMRO	100.25	100.25	100.25	ABN AMRO	100.25	100.25	100.25	ABN AMRO	100.25	100.25	100.25
ABN AMRO	100.25	100.25	100.25	ABN AMRO	100.25	100.25	100.25	ABN AMRO	100.25	100.25	100.25
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Ivanisevic silences the partisans

Tennis

JOHN ROBERTS
reports from Key Biscayne

A pain in the neck ended Goran Ivanisevic's run of success at last year's Lipton Championships here, and the temperamental Croat is determined not to allow pain in the neck of the human variety to handicap his prospects on this occasion.

When the interaction of a partisan crowd became too raucous in response to one or two umpiring decisions during Ivanisevic's third-round match against Florida's Vince Spadea on Sunday night, the Croat made an effort to hold himself in check.

However, having survived the contest, 3-6, 7-4, 6-4, the fourth-seeded Ivanisevic pointed a finger at a number of his persecutors. "There are idiots everywhere, but especially here," he said afterwards. "It's OK, it's a free country, so any idiot can come and watch tennis."

The hecking intensified during the final set, when the umpire, Carlos Bernardes twice overruled line calls in favour of Ivanisevic and ordered the points to be replayed. A frustrated Spadea later threw his racket and was penalised a point for making a gesture towards the chair, insisting afterwards that he had turned a low one into a high five and the umpire "interpreted it the wrong way".

Spadea described the official's decisions as "ridiculous" and the atmosphere as "just chaotic", adding that when play is interrupted by a noisy crowd the effect can be similar to a rain delay or one caused by injury.

"You just sit there forever, not moving," he said. "I had some bad things go against me, I guess Goran did, too, and the crowd got extremely involved. I just got too consumed with what was going on rather than focusing and capitalising on the opportunities I did have control of."

One could imagine John McEnroe's response to the situation. "He would have complained about the situation, probably with few drinks," Spadea said. "He could have gotten the crowd involved more, if that was possible."

A few years ago, McEnroe paused mid-swing here to inquire of a persistent heckler what it was like "to be ugly, unemployed and a dork".

Ivanisevic's reaction was also characteristic. "A guy told me, 'Damn you!' I think it's not a great thing to say. But then I hit an ace. I'm like that, when there's more pressure on me, I can play much better when they are screaming and yelling and clapping. I have the opposite reaction inside me, then I always play better."

A year ago, Ivanisevic did not require external motivation. He advanced to his seventh ATP Tour final, having won titles in Zagreb, Dubai, Milan and Rotterdam, only to retire in pain from a crack in his neck after 10 minutes of the Lipton final against Andre Agassi.

"I think it was from all the playing and all the stress that I had," he recounted. "I was too tight, thinking how I could win. I didn't sleep well."

Ivanisevic now faces the 19-year-old Dominik Hrbaty, of Slovakia, who has been voted the ATP Tour's Player to Watch.

The youngster will have to keep an eye on his opponent. As Spadea said of Sunday's match, "Aside from all the drama and all the crap, the tennis was actually where he just outplayed me."

Hrbaty is paying his first visit to the tournament, as is Tommy Haas, at 18 the youngest player in the men's draw. Haas, a 6ft 2in German based at the Nick Bollettieri Tennis Academy in Bradenton, Florida, was doing rather well, too, scoring victories over Guy Forget and Javier Sanchez in the opening



A determined Monica Seles, the No 4 seed, powers her way to victory over Amy Frazier

Photograph: AP

rounds. But yesterday he ran into the No 2 seed, Thomas Muster, who generally has a point to make, on and off the court. The Austrian won, 6-1, 6-2.

Muster will be remembered here for the Lipton final he missed in 1989, when instead he was on his way home to undergo surgery to sever ligaments in his left knee after being struck by a drunk driver.

A rapid recovery enabled him to work even harder on his game and his fitness until eventually he dominated the clay courts of Europe, winning the 1995 French Open and reigning briefly as the world No 1 last year.

He arrived at the Lipton last March as the No 1 seed and lost in his opening match; "I've never had much luck in this tournament," he said. "I'm feel-

ing good this year. I'm playing well and I'm confident. But everybody reaching the round of 16 or quarter-finals is in good shape and is playing well. It's a long event. A lot of things can happen."

True, in the women's singles, the No 2 seed has already been eliminated. Arantxa Sanchez Vicario's dismal run of form continued with a 6-0, 7-5 defeat by Sandrine Testud.

It is not as if the 24-year-old French player is one of the bright young things on the tour, a Martina Hingis, Venus Williams or Anna Kournikova. Testud, ranked No 29, had lost her three previous matches against the Spaniard, but she managed not to suffer a letdown after zooming through the opening set and recovered after being broken when serving for the match at 5-4.

Consolation victory for South Africans

Cricket

ANDY COLQUHOUN
reports from Pretoria
Australia 227 and 185
South Africa 384 and 32 for 2
South Africa won by 8 wickets

South Africa completed a consolation eight-wicket victory over Australia on the fourth day of the third and final Test at Centurion Park yesterday.

South Africa, who lost the first two Tests, dismissed Australia for 185 in their second innings and knocked off the 29 they needed for the loss of the openers Gary Kirsten and Adam Bacher.

"One day when we sit back in our armchairs we will look ourselves for what happened in the second Test at Port Elizabeth - the series was a lot closer than people made out," Hansie Crogie, South Africa's captain, said.

Having been heavily beaten in the first Test in Johannesburg, South Africa lost a low-scoring second Test after holding a lead of 188 in their second innings with 10 wickets in hand. Australia won that match by two wickets to seal the series 3-0.

South Africa's victory came quickly yesterday thanks to Allan Donald, who took 5 for 36. It was his first five-wicket haul against Australia and the eighth in his 33-Test career. His match figures of 8 for 96 made him the man of the match.

Donald took three wickets as Australia, resuming on 96 for 4, added just 89 runs. Only Steve Waugh provided any resistance; and his 313 runs at 78.3 earned him the man of the series award.

Donald bowled Greg Blewett for a duck in the first over and by lunch the Australians had also lost Michael Bevan and Ian Healy. Healy, caught down the leg side, was unhappy with the decision and threw his bat in anger as he approached the dressing room. He has been suspended from the first two one-day internationals.

The tail was wrapped up in the first seven overs after lunch, and the sides now meet in a seven-match one-day series which begins in East London on Saturday.

Fourteen South Africa won 324 Australia 185 (1st Test) 185-185 (2nd Test) 185-185 (3rd Test) 185-185 (4th Test) 185-185 (5th Test) 185-185 (6th Test) 185-185 (7th Test) 185-185 (8th Test) 185-185 (9th Test) 185-185 (10th Test) 185-185 (11th Test) 185-185 (12th Test) 185-185 (13th Test) 185-185 (14th Test) 185-185 (15th Test) 185-185 (16th Test) 185-185 (17th Test) 185-185 (18th Test) 185-185 (19th Test) 185-185 (20th Test) 185-185 (21st Test) 185-185 (22nd Test) 185-185 (23rd Test) 185-185 (24th Test) 185-185 (25th Test) 185-185 (26th Test) 185-185 (27th Test) 185-185 (28th Test) 185-185 (29th Test) 185-185 (30th Test) 185-185 (31st Test) 185-185 (32nd Test) 185-185 (33rd Test) 185-185 (34th Test) 185-185 (35th Test) 185-185 (36th Test) 185-185 (37th Test) 185-185 (38th Test) 185-185 (39th Test) 185-185 (40th Test) 185-185 (41st Test) 185-185 (42nd Test) 185-185 (43rd Test) 185-185 (44th Test) 185-185 (45th Test) 185-185 (46th Test) 185-185 (47th Test) 185-185 (48th Test) 185-185 (49th 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Roker's final roar
Simon Turnbull on Sunderland's famous arena, page 26

sport

Heavy hype
Razzmatazz at the Boat
Race weigh-in, page 26



Not the England squad: Glenn Hoddle, whose selection for this weekend's friendly with Mexico has been depleted by injuries, takes time out from preparing the senior team to demonstrate the new Footwall to a group of young footballers at Bisham Abbey yesterday. The Footwall - lifesize colour images of England internationals that act as targets - is designed to improve passing skills. Photograph: Ben Radford/Alisport

Hoddle denies falling out with Ferguson

Football
MARK BURTON

Rift? What rift? Glenn Hoddle last night dismissed suggestions of a dispute between himself and the Manchester United manager, Alex Ferguson.

After United's victory at Everton on Saturday, Ferguson announced that he would not be sending the injured Gary Neville, Gary Pallister or David Beckham to join the England squad at their Buckinghamshire headquarters to have their fitness checked ahead of Saturday's friendly match against Mexico. But after he and the England coach spoke on the phone at the weekend, Hoddle agreed that Pallister and Beckham should remain in Manchester for treatment.

"I was at the match where Gary and David got injured and

it is down to my decision whether players must turn up," Hoddle said.

"I spoke to Alex and there wasn't a problem between us. He was only too pleased to let David and Philip step up. Philip will come in if Gary isn't 100 per cent fit."

Colin Hendry will shrug off the nagging pain from a long-standing groin injury to help Scotland's World Cup cause. The Blackburn centre-back will report for duty for Scotland's crucial matches against Estonia, at Kilmarnock on Saturday, and Austria, at Celtic Park next Wednesday.

Bobby Gould hopes Mark Hughes will recover from a groin strain to line up in his Wales team for Saturday's World Cup qualifier against Belgium in Cardiff. Hughes appeared as a second-half substitute in Chelsea's 1-0 defeat at

Middlesbrough at the weekend, despite the injury. But he was not due to join a rendezvous for the rest of the Wales squad in Newport last night.

Belgium also have problems. Luc Nilis, their PSV Eindhoven striker, has pulled out of the squad. Belgium's coach, Georges Leekens, could also be without Philippe Albert, the Newcastle defender who has a knee injury, and Belgium's 1996 player of the year, Franky van der Elst, who has a groin problem.

English Premiership clubs could lose millions of pounds on the transfer market if Fifa, as expected, announces today that the "Bosman" ruling, giving free transfers to out-of-contract players, will be extended to cover footballers of all nationalities moving between clubs in European Union countries. At the moment, only European players become free

agents at the end of their contracts.

The Professional Footballers' Association's chief executive, Gordon Taylor, was encouraged by the likely development, saying a move would mean clubs being less tempted to look abroad for their player purchases. "I think the stance is inevitable really, and looking positively it could encourage clubs to look more inwardly, if they are not going to get money back on purchases," Taylor said.

News from Portugal yesterday was far from encouraging for Manchester United fans who went to their club's Euro-

pean Cup match in Oporto on Wednesday. The Portuguese internal affairs minister, Alberto Costa, said yesterday that police were fully justified in firing rubber bullets and anti-riot pellets at United fans after the draw with Porto.

Costa said the police report into the clashes with some of the 10,000 visiting United fans showed that officers "performed their duty. They prevented what could have been a tragedy," he said.

Porto police said after last Wednesday's match that they fired on the fans to keep them from leaving the stadium before

local supporters had dispersed. The United fans claimed police over-reacted and used excessive force, but Costa said that no official complaint had been received from the British authorities over the way police handled the incident.

Portsmouth have taken swift action following the crowd trouble at Queen's Park Rangers on Saturday by banning one supporter indefinitely. Play was stopped for 18 minutes and the players were taken off the field as trouble flared in two parts of Loftus Road. The Football Association will hold a full inquiry into the incident.

Fabrizio Ravanello will be fit to lead the Middlesbrough attack against Leicester in the Coca-Cola Cup final on 6 April. The Italian international, who has scored 26 goals this season, has made good progress in his recovery from a hamstring injury.

Kenny Dalglish is poised to make the IA Akranes striker Bjarni Gudjonsson his first signing for Newcastle. The 18-year-old, who has played for Iceland's Under-21 side, has had trials with Liverpool and Newcastle, and is valued at about £500,000.

Gillingham say Brighton must pay them £300,000 rent,

even if the troubled south coast club abandons plans to ground-share at the Priestfield Stadium.

The consortium trying to take over Brighton, led by Dick Knight, are hoping Albion can play their home games at Hove Greyhound Stadium for the next three years until a new stadium is built. However, Gillingham's chairman, Paul Scally, is adamant that his club want the money they have already been promised.

"Brighton signed an agreement to pay us £150,000 a year for two years and whether they come to us or not that is our money," he said.

Ronaldo may be ready to go

The world "player of the year" Ronaldo said yesterday that the "door is open" for him to leave Barcelona at the end of the season.

"I would like to stay here but I'm a professional and I must choose what is best for me. Circumstances could make me go," said the Brazilian striker, whose agents are pushing Barcelona for an improved contract. Ronaldo said he felt he had a right to negotiate with other clubs because Barcelona's president, Jose Luis Nuñez,

had not kept an agreement to improve his contract.

Ronaldo was signed from the Dutch side, PSV Eindhoven, in the close season for a then world-record fee of about £11m. Some outstanding displays since then have led Barcelona to open negotiations over a lucrative new contract. Despite initial indications that agreeing the new contract would be a mere formality, it was never signed, and Barcelona now say no new deal will be reached before the end of the season.

Ronaldo's compatriot, Giovanni, has asked the Barcelona board to consider an offer for him from Brazil's São Paulo. The midfielder has been relegated to the bench recently and said yesterday: "I didn't come to Spain to stroll around, but to triumph."

Giovanni said he would only consider the offer to join São Paulo on loan if it meant he could stay there until the 1998 World Cup. "If not I will stay in Barcelona and wait for an opportunity to arrive," he added.

Rich vultures gather over Memorial Ground

Rugby Union

CHRIS HEWITT
and DAVID LLEWELLYN

Bristol's unlikely Courage League victory over cup semi-finalists Sale on Saturday was achieved in the absence of their England forwards Simon Shaw and Mark Regan. Sadly for the struggling West Countrymen, they may have to get used to life without their quota of star quality: Harlequins, Bath and Wasps, richer and more glamorous and keen to keep it that way, are hovering like vultures over the Memorial Ground pickings.

Harlequins are expected to make a formal bid for Shaw before the week is out - the England second row was scheduled to discuss his future with David Tyler, the Bristol chief executive, yesterday - and they may try for a quick close on the deal by offering Glyn Llewellyn, the

former Welsh international lock, in part-exchange. Bath have also asked Bristol for permission to speak to Shaw, whose contract expires at the end of the season.

Both Bath and Wasps, the league leaders, have signalled an interest in Regan, who has a year of his contract to run. Alan Davies, the Bristol coach, slapped a £500,000 price tag on his hooker's head at the weekend - two-thirds of Bristol's entire wage bill - and any offer of that magnitude would be next to impossible to resist.

Sadly for the French club Brive, Christophe Lamaison's inability to resist an off-the-ball shoulder-charge on Scotland's Craig Chalmers during the Five Nations match in Paris 11 days ago has cost the European champions the services of their outstanding goalkicker for the next month. Lamaison, whose marksmanship did so much to

earn his country an unexpected Grand Slam, was yesterday suspended for 30 days by a Five Nations disciplinary panel.

Lamaison declined to attend the hearing. His case was pleaded by Jean-Claude Skreia, the French coach, and Gryn Laporte, vice-president of the French Rugby Federation, but their arguments failed to sway the match commissioner, Peter Boyle, who announced his decision after considering video as well as oral evidence from both sides.

Gloucester are in talks with Wasps over a possible move to Sudbury for their talented young hooker, Phil Greening. The 21-year-old, who has won two caps as an England replacement, will delay any decision until later in the summer after whichever tour - the Lions to South Africa, or England to Argentina - he goes on.

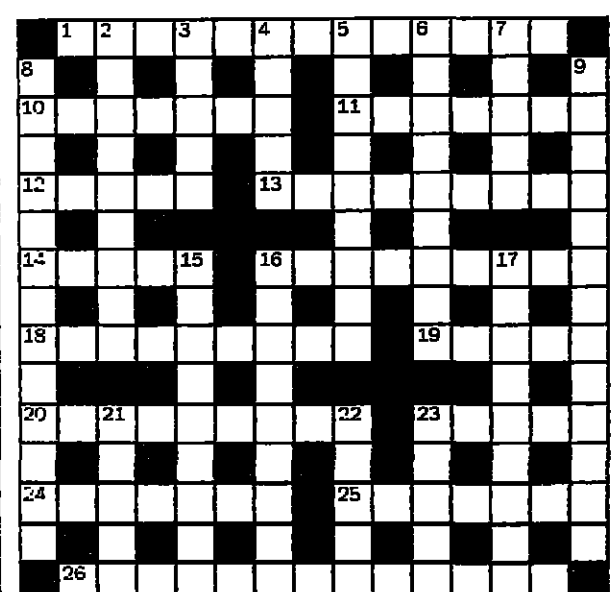
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THE INDEPENDENT CROSSWORD

No. 3255, Tuesday 25 March

By Andrew

Monday's Solution



ACROSS

1 Winning cricketers if rained off could be thus browned off? (7-6)

10 Upstart expected endless love (7)

11 Judge arrives, about to be effective (7)

12 Lovers' meeting once in Coventry street (5)

13 Independent support for book (9)

14 Awfully sad about exultant cry of farewell (5)

16 How to arrange advancement of the clergy? (9)

18 Insect bites possibly lead to time of crisis? (6,3)

19 Get money off taking a pound of soothing ointment (5)

20 Tardy type but not dead on arrival! (4-5)

25 It's teased about Braemar with arm going? (5)

24 It's offensive in the main as ruminant eats fancy bun (7)

25 Record a right to gather plant for cooking (7)

26 Urge to get railway features which will go in scrapbook (5,8)

DOWN

2 Satellite named after archaic aircraft? (5,4)

3 Some fat hefty burglar is responsible for this? (5)

4 Ki's English bit of merriment (5)

5 Utter profanities when confusing sheep & lamb (9)

6 A mega ice-floe on right is a thing found in the ocean (9)

7 More cut up about trustee (3)

8 One's a sight better for this study? (13)

9 Having no money? Then dear stuff's out - very sad (6-7)

15 Very blue conservative sadly comes up with debts (9)

16 Cloth rug in picture is eminently practical (9)

17 Improvising, one fishing catches 50 (2-7)

21 Some quite normal singer (5)

22 Show response as short clergyman holds one (5)

23 They're prickly about first part of play? (5)

MARKETTIME
RANDOM
E U A E R A I
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G I O C E M P
E G E N B A Y I
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